



CLOSING DOCUMENTS

\$40,910,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013

Delivered: November 13, 2013

Jones Walker LLP

www.joneswalker.com

Bond Counsel Contacts:

Fred Chevalier, Esq.
fchevalier@joneswalker.com
225-248-2046

Matt Kern, Esq.
mkern@joneswalker.com
225-248-2238

Patti Dunbar, Senior Public Finance Assistant
pdunbar@joneswalker.com
225-248-3447

INDEX OF CLOSING DOCUMENTS FOR AN ISSUE OF
\$40,910,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013

Delivered: November 13, 2013

KEY TO ABBREVIATIONS:

| | |
|-------------------------|---|
| Bonds: | Above-captioned Bonds |
| Prior Bonds: | Issuer's Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A |
| Bond Counsel: | Jones Walker LLP |
| Issuer: | Louisiana Local Government Environmental Facilities and Community Development Authority |
| Issuer Counsel: | Breithaupt, Dunn, DuBos, Shafto & Wolleson, L.L.C. |
| Board: | Board of Supervisors for the University of Louisiana System |
| State: | State of Louisiana |
| University: | Southeastern Louisiana University |
| Board Counsel: | DeCuir, Clark & Adams L.L.P. |
| Corporation: | University Facilities, Inc. |
| Corporation Counsel: | Seale & Ross, APLC |
| Financial Advisor: | Sisung Securities |
| Underwriters: | Stephens Inc. Raymond James & Associates, Inc. |
| Underwriter Counsel: | Butler Snow LLP |
| Trustee/Escrow Trustee: | The Bank of New York Mellon Trust Company, N.A. |
| Trustee Counsel: | Gregory A. Pletsch & Associates, APLC |
| Rating Agency: | Moody's Investor Services |
| Verification Agent: | The Arbitrage Group |

BASIC FINANCING AND SALE DOCUMENTS

1. Transcript Certificate
2.
 - (a) First Supplemental Trust Indenture by and between the Issuer and the Trustee dated as of November 1, 2013
 - (b) Trust Indenture by and between the Issuer and the Trustee dated as of August 1, 2004
3.
 - (a) First Supplemental Loan and Assignment Agreement by and between the Issuer and the Corporation, dated as of November 1, 2013
 - (b) Loan Agreement by and between the Issuer and the Corporation, dated as of August 1, 2004
4.
 - (a) Third Supplemental Ground and Buildings Lease Agreement by and between the Board, as Lessor, and the Corporation, as Lessee, dated as of November 1, 2013
 - (b) Memorandum of Third Supplemental Ground Lease dated as of November 1, 2013, as recorded
 - (c) Second Amendment to Ground and Buildings Lease Agreement by and between the Board, as Lessor, and the Corporation, as Lessee, dated June 12, 2012, as recorded
 - (d) First Amendment to Ground and Buildings Lease Agreement by and between the Board, as Lessor, and the Corporation, as Lessee, dated March 1, 2007, as recorded
 - (e) Ground and Buildings Lease Agreement by and between the Board, as Lessor, and the Corporation, as Lessee, dated as of August 1, 2004
 - (f) Memorandum of Ground Lease dated as of August 1, 2004, as recorded
5.
 - (a) Third Supplemental Agreement to Lease with Option to Purchase by and between the Corporation, as Lessor, and the Board, as Lessee, dated as of November 1, 2013
 - (b) Memorandum of Facilities Lease dated as of November 1, 2013, as recorded
 - (c) Second Amendment to Agreement to Lease with Option to Purchase by and between the Corporation, as Lessor, and the Board, as Lessee, dated June 12, 2012

- (d) First Amendment to Agreement to Lease with Option to Purchase by and between the Corporation, as Lessor, and the Board, as Lessee, dated March 1, 2007
 - (e) Agreement to Lease with Option to Purchase by and between the Corporation, as Lessor, and the Board, as Lessee, dated as of August 1, 2004
 - (f) Act of Mortgage, Assignment of Leases and Security Agreement dated August 13, 2004
 - (g) UCC-1 Financing Statement
 - (h) UCC-3 Financing Statement Amendment conforming name of Secured Party
- 6. (a) Preliminary Official Statement dated October 29, 2013
 - (b) 15c2-12 Certificates of the Issuer, the Corporation and the Board
- 7. Bond Purchase Agreement by and among the Issuer, the Corporation, and the Underwriter, dated November 5, 2013
- 8. Official Statement dated November 5, 2013
- 9. Continuing Disclosure Certificate by the Board
- 10. Tax Regulatory Agreement and Arbitrage Certificate by and among the Issuer, the Board, the Corporation and the Trustee dated November 13, 2013

REFUNDING DOCUMENTS

- 11. Escrow Deposit Agreement by and between the Issuer and the Escrow Trustee dated as of November 1, 2013
- 12. (a) Notice of Defeasance of the Prior Bonds
 - (b) Instruction to Redeem Prior Bonds
 - (c) Form of Notice of Redemption of the Prior Bonds
 - (d) Direction of the Board to Redeem Bonds
 - (e) Release of Indenture
- 13. Confirmation of SLGS Purchase
- 14. Report of Verification Agent

ISSUER DOCUMENTS AND PROCEEDINGS

15. General Certificate of the Issuer
16. (a) Certified Copy of Resolution adopted by the Issuer on August 8, 2013 authorizing the issuance of the Bonds
(b) Affidavit of publication and tearsheet evidencing publication of (a) above
17. (a) Certified Copy of Resolution adopted by the Issuer on October 10, 2013, providing for the issuance of the Bonds
(b) Affidavit of publication and tearsheet evidencing publication of (a) above
18. Order of Issuer Requesting the Trustee to authenticate and deliver the Bonds
(a) Acknowledgement of the Board to Order of Issuer
19. (a) IRS Form 8038 regarding the Bonds
(b) Confirmation of filing of IRS form 8038

LOUISIANA STATE BOND COMMISSION ITEMS

20. (a) Proceedings evidencing approval of the issuance of the Bonds by the State Bond Commission at its meeting of September 19, 2013
(b) Acknowledgment of Receipt of Payment of Closing Fee

THE BOARD OF SUPERVISORS ITEMS

21. (a) Minutes of the meeting of the Board held on August 20, 2013
(b) Resolution adopted by the Board on August 20, 2013

CORPORATION ITEMS

22. General Certificate of the Corporation with Exhibits:
 - (a) Certificate of Good Standing by the Secretary of State of the State of Louisiana;
 - (b) Certified copy of Articles of Incorporation;
 - (c) By-Laws;
 - (d) IRS Determination Letter; and

- (e) Resolutions of the Board of Directors of the Corporation dated August 6, 2013

TRUSTEE ITEMS

23. Authentication, Signature Identification and General Certificate of the Trustee / Escrow Trustee

LEGAL OPINIONS

24. Opinion of Bond Counsel
25. Supplemental Opinion of Bond Counsel
26. Defeasance Opinion of Bond Counsel
27. Issuer Counsel Opinion
28. Corporation Counsel Opinion
29. Board Counsel Opinion
30. Trustee Counsel Opinion
31. Underwriter Counsel Opinion

MISCELLANEOUS

32. Specimen Bonds
33. Blanket Letter of Representations to DTC
34. (a) Non-litigation Certificate, Clerk of Court, United States District Court, Middle District of Louisiana for the Issuer and the Board
(b) Non-litigation Certificate, Clerk of Court, United States District Court, Eastern District of Louisiana for the Corporation
35. (a) Non-litigation Certificate, Clerk of Court, Nineteenth Judicial District, State of Louisiana for the Issuer and the Board
(b) Non-litigation Certificate, Clerk of Court, Twenty-first Judicial District, State of Louisiana for the Corporation
36. Insurance Certificates of Office of Risk Management
37. Cross Receipt

- (a) Receipt of Issuer
 - (b) Receipt of Underwriter
 - (c) Receipt of Trustee
38. Notice of Intention to Amend Trust Indenture
 39. Notice to Rating Agency and Bond Insurer of Amendment to Trust Indenture
 40. Underwriter Certificate relating to Lease Amendments
 41. Rating Letter of Moody's Investor Services
 42. Debt Service Schedule
 43. Consent of MBIA Insurance Corporation as bond insurer of Prior Bonds
 44. Consent of the Board with respect to Loan Agreement
 45. Closing Memorandum

TRANSCRIPT OF DOCUMENTS RELATED TO 2012 AMENDMENT OF LEASES

46. Index of Documents
47. Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 by and between Board on behalf of the University, as Lessor, and the Corporation, as Lessee, including Tangipahoa Parish Recording Page.
48. Second Amendment to Lease with Option to Purchase dated as of June 12, 2012 by and between the Corporation, as Lessor, and the Board, as Lessee.
49. Consent of Bond Insurer dated June 6, 2012, recorded as an exhibit to the Ground and Buildings Lease Agreement.
50. Resolution of the Board adopted April 24, 2012 authorizing execution of the Amendments.
51. Resolution of the Corporation adopted May 16, 2012 authorizing execution of the Amendments.
52. Notice to Rating Agency and Bond Insurer dated May 24, 2012.
53. Opinion of Bond Counsel with respect to execution of the Amendments and compliance with requirements of the Indenture as defined therein.

CERTIFICATE AS TO AUTHENTICITY OF
PROCEEDINGS, DOCUMENTS, INSTRUMENTS AND WRITINGS
CONTAINED IN THE TRANSCRIPT OF RECORD PERTAINING TO

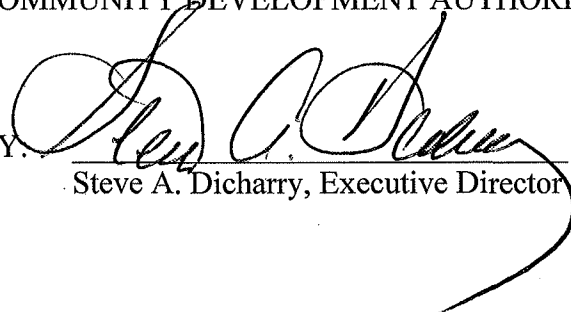
\$40,910,000
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013**

I, the undersigned Executive Director of the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”), do hereby certify that the proceedings, documents, instruments and writings hereinafter contained in this transcript of record are true and correct copies or duplicate originals and constitute all proceedings of the Issuer and other proofs in relation thereto with respect to the issuance, sale and delivery of the captioned bond issue.

The undersigned has hereunto set his signature and affixed the seal of the Issuer this 13th day of November, 2013.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

BY:



Steve A. Dicharry, Executive Director

[SEAL]

EXECUTION VERSION

FIRST SUPPLEMENTAL TRUST INDENTURE

by and between

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(as Trustee)

Dated as of November 1, 2013

in connection with:

\$40,910,000
Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

TABLE OF CONTENTS

| | |
|--|----|
| Article I DEFINITIONS AND RULES OF CONSTRUCTION | 2 |
| Section 1.1 <u>Definitions</u> | 2 |
| Section 1.2 <u>Rules of Construction</u> | 11 |
| Article II GRANTING CLAUSES | 12 |
| Section 2.1 <u>Granting Clauses</u> | 12 |
| Article III AUTHORIZATION, TERMS AND CONDITIONS OF SERIES 2013 BONDS | 14 |
| Section 3.1 <u>Series 2013 Bonds Issuable Under this Article Only</u> | 14 |
| Section 3.2 <u>Authorization of Series 2013 Bonds</u> | 14 |
| Section 3.3 <u>Form of Series 2013 Bonds</u> | 15 |
| Section 3.4 <u>Redemption of Series 2013 Bonds</u> | 15 |
| Section 3.5 <u>Execution; Limitation of Liability</u> | 17 |
| Section 3.6 <u>Authentication</u> | 17 |
| Section 3.7 <u>Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds</u> | 18 |
| Section 3.8 <u>Registration of Series 2013 Bonds</u> | 18 |
| Section 3.9 <u>Persons Treated as Owners</u> | 18 |
| Section 3.10 <u>Exchange and Transfer of Series 2013 Bonds</u> | 19 |
| Section 3.11 <u>Cancellation and Destruction of Surrendered Series 2013 Bonds</u> | 19 |
| Section 3.12 <u>Delivery of the Series 2013 Bonds</u> | 19 |
| Section 3.13 <u>Book-Entry Registration of Series 2013 Bonds</u> | 20 |
| Article IV FUNDS AND ACCOUNTS; FLOW OF FUNDS; INVESTMENTS; DEPOSITS; ARBITRAGE | 21 |
| Section 4.1 <u>Creation and Use of Funds and Accounts</u> | 21 |
| Section 4.2 <u>Series 2013 Bond Proceeds Fund</u> | 22 |
| Section 4.3 <u>Series 2013 Debt Service Fund</u> | 22 |
| Section 4.4 <u>Replacement Fund</u> | 23 |
| Section 4.5 <u>Series 2013 Rebate Fund</u> | 23 |
| Section 4.6 <u>Receipts Fund</u> | 23 |
| Section 4.7 <u>Series 2013 Debt Service Reserve Fund</u> | 25 |
| Section 4.8 <u>Surplus Fund</u> | 25 |
| Section 4.9 <u>Investments</u> | 25 |
| Section 4.10 <u>Depository of Moneys and Security for Deposits</u> | 26 |
| Section 4.11 <u>Arbitrage</u> | 26 |
| Section 4.12 <u>Amounts Remaining in Funds; Releases</u> | 26 |
| Section 4.13 <u>Application of Moneys in the Series 2013 Debt Service Reserve Fund</u> | 27 |
| Section 4.14 <u>Application of Insurance Proceeds; Condemnation Award</u> | 28 |
| Section 4.15 <u>Application of Money in the Replacement Fund</u> | 29 |
| Section 4.16 <u>Application of Money in the Surplus Fund</u> | 29 |
| Section 4.17 <u>Application of Moneys in the Series 2013 Rebate Fund</u> | 29 |
| Article V ADDITIONAL BONDS | 30 |
| Section 5.1 <u>Additional Bonds</u> | 30 |
| Article VI COSTS OF ISSUANCE | 30 |
| Section 6.1 <u>Payment of Costs of Issuance from Series 2013 Bond Proceeds Fund</u> | 30 |

| | |
|---|----|
| Article VII ENFORCEMENT OF LOAN AGREEMENT AND FACILITIES LEASE | 30 |
| Section 7.1 <u>Assignment of Loan Agreement and Facilities Lease</u> | 30 |
| Section 7.2 <u>Trustee or Bondholders to Enforce Loan Agreement, Facilities Lease and Mortgage</u> | 30 |
| Article VIII EVENTS OF DEFAULT; REMEDIES | 31 |
| Section 8.1 <u>No Extension of Time for Payment of Principal, Premium or Interest</u> | 31 |
| Section 8.2 <u>Events of Default</u> | 31 |
| Section 8.3 <u>Remedies</u> | 31 |
| Section 8.4 <u>Acceleration; Annulment of Acceleration</u> | 32 |
| Section 8.5 <u>Insufficiency in the Series 2013 Debt Service Fund; Application of Moneys</u> | 32 |
| Section 8.6 <u>Discontinuance of Proceedings</u> | 33 |
| Section 8.7 <u>Reserved</u> | 34 |
| Section 8.8 <u>Remedies Not Exclusive</u> | 34 |
| Section 8.9 <u>Remedies Vested in Trustee</u> | 34 |
| Section 8.10 <u>Reserved</u> | 34 |
| Section 8.11 <u>Individual Bondholder Action Restricted</u> | 34 |
| Section 8.12 <u>Waiver and Non-Waiver of Event of Default</u> | 34 |
| Section 8.13 <u>Notice of Defaults</u> | 34 |
| Section 8.14 <u>Opportunity of Corporation to Cure Certain Defaults</u> | 35 |
| Article IX CONCERNING THE TRUSTEE..... | 35 |
| Section 9.1 <u>Acceptance of Trusts</u> | 35 |
| Section 9.2 <u>Trustee Entitled to Indemnity</u> | 37 |
| Section 9.3 <u>Trustee Not Responsible for Insurance, Taxes, Execution of Supplemental Indenture, Acts of the Authority or Application of Moneys Applied in Accordance with this Supplemental Indenture</u> | 37 |
| Section 9.4 <u>Compensation</u> | 38 |
| Section 9.5 <u>Trustee to Preserve Records</u> | 38 |
| Section 9.6 <u>Trustee May be Bondholder</u> | 38 |
| Section 9.7 <u>Trustee Not Responsible for Recitals</u> | 38 |
| Section 9.8 <u>Trustee Responsible for Reinscription</u> | 38 |
| Section 9.9 <u>Trustee May Rely on Certificates</u> | 38 |
| Article X RESERVED | 39 |
| Article XI COVENANTS OF AUTHORITY | 39 |
| Section 11.1 <u>Payment of Principal, Premium and Interest</u> | 39 |
| Section 11.2 <u>Additional Security</u> | 39 |
| Section 11.3 <u>Cure Title Defects</u> | 39 |
| Section 11.4 <u>Defend Against Actions</u> | 39 |
| Section 11.5 <u>Non-Impairment of Security</u> | 39 |
| Section 11.6 <u>Authority's Obligation Limited</u> | 40 |
| Article XII DEFEASANCE | 40 |
| Section 12.1 <u>Payment</u> | 40 |
| Section 12.2 <u>Provision for Payment</u> | 40 |
| Section 12.3 <u>Certifications</u> | 40 |

| | |
|--|----|
| Article XIII MISCELLANEOUS..... | 41 |
| Section 13.1 <u>Covenants of Authority Binds its Successors</u> | 41 |
| Section 13.2 <u>Preservation and Inspection of Documents</u> | 41 |
| Section 13.3 <u>Parties Interest Herein</u> | 41 |
| Section 13.4 <u>No Recourse on the Series 2013 Bonds</u> | 41 |
| Section 13.5 <u>Severability</u> | 41 |
| Section 13.6 <u>Consents and Approvals</u> | 42 |
| Section 13.7 <u>Notices</u> | 42 |
| Section 13.8 <u>Notices to Bondholders</u> | 43 |
| Section 13.9 <u>Applicable Law</u> | 43 |
| Section 13.10 <u>Captions</u> | 43 |
| Section 13.11 <u>Supplemental Indenture to Constitute a Contract</u> | 43 |
| Section 13.12 <u>Performance on Legal Holidays</u> | 43 |
| Section 13.13 <u>Continuing Disclosure Certificates</u> | 43 |
| Section 13.14 <u>Amendments to Original Indenture</u> | 44 |

EXHIBIT A – FORM OF SERIES 2013 BOND

FIRST SUPPLEMENTAL TRUST INDENTURE

This FIRST SUPPLEMENTAL TRUST INDENTURE dated as of November 1, 2013 (the “*Supplemental Indenture*”), is between the LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (the “*Authority*”), and The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing by virtue of the laws of the United States of America and duly authorized to accept and execute trusts, as trustee (the “*Trustee*”) and supplements and amends that certain Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee (the “*Original Indenture*”).

WITNESSETH:

WHEREAS, the Authority is a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 (the “*LCDA Act*”), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the “*Refunding Act*” and, together with the LCDA Act, the “*Act*”), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, pursuant to the Original Indenture and in accordance with the provisions of the Act, the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and, together with the Series 2004A Bonds, the “*Series 2004 Bonds*”) on behalf of University Facilities Inc., a Louisiana non-profit corporation (the “*Corporation*”), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University;

WHEREAS, the Corporation has requested that the Authority issue its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”) to refund all of the outstanding Series 2004A Bonds (the “*Refunded Bonds*”), such Series 2013 Bonds to be issued on a parity with the Series 2004B Bonds (the “*Unrefunded Bonds*”);

WHEREAS, the Authority is authorized under the provisions of the Act and other constitutional and statutory authority to issue refunding bonds for such purposes and the Authority has determined that it is most advantageous to the Authority and necessary for it to issue its Series 2013 Bonds as hereinafter provided for such purposes;

WHEREAS, pursuant to Section 5.2 of the Original Indenture, Refunding Bonds may be issued to refund all or a portion of the Series 2004 Bonds pursuant to a supplement to the Original Indenture without the consent of the Series 2004 Bond Insurer (as hereinafter defined);

WHEREAS, the proceeds of the sale of the Series 2013 Bonds shall be loaned to the Corporation pursuant to that Loan and Assignment Agreement dated as of August 1, 2004 (the “*Original Loan Agreement*”), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the “*First Supplemental Loan Agreement*” and, together with the Original Loan Agreement, the “*Loan Agreement*”), each between the Corporation and the Authority, for the purpose of (i) refunding the Refunded Bonds (as hereinafter defined) and (ii) paying the costs of issuance of the Series 2013 Bonds;

WHEREAS, pursuant to the Loan Agreement, the Corporation has assigned its rights under that certain Facilities Lease (as defined herein) pursuant to which the Corporation is leasing the Facilities to the Board including its right to all Base Rentals received thereunder, to the Authority, and has agreed to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds (as defined herein), and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, the Corporation, as Lessee, has leased the Property from the Board, as Lessor, upon which the Facilities were constructed for the Board pursuant to Ground and Buildings Lease Agreement dated as of August 1, 2004 (the “*Original Ground Lease*”), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the “*First Amendment to Ground Lease*”), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the “*Second Amendment to Ground Lease*”), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the “*Third Supplemental Ground Lease*” and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the “*Ground Lease*”) each by and between the Board and the Corporation;

WHEREAS, the fully registered Series 2013 Bonds and the certificate of authentication by the Trustee to be endorsed thereon for the Series 2013 Bonds are to be in substantially the form attached as Exhibit A hereto with all necessary and appropriate variations, omissions and insertions as permitted or required under this Supplemental Indenture;

WHEREAS, all acts, conditions and things required by the laws of the State to happen, exist and be performed precedent to and in the execution and delivery of this Supplemental Indenture have happened, exist and have been performed as so required in order to make this Supplemental Indenture a valid and binding agreement in accordance with its terms;

WHEREAS, the execution and delivery of this Supplemental Indenture have been duly authorized by the Authority and the Trustee; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Supplemental Indenture and the parties are now prepared to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Authority and the Trustee hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. Except as provided in Section 1.2 below, capitalized terms not otherwise defined herein shall have the meanings assigned thereto in this Supplemental Indenture, the Original Indenture or

in the Loan Agreement. In addition to words and terms elsewhere defined in this Supplemental Indenture, the following words and terms as used herein shall have the following meanings, unless some other meaning is plainly intended:

“*Act*” means, collectively, the LCDA Act and the Refunding Act.

“*Additional Bonds*” shall mean bonds issued on a parity with the Series 2004B Bonds and the Series 2013 Bonds in one or more series pursuant to Section 26 of the Facilities Lease and Article V of the Indenture.

“*Authority*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Authority by said provisions shall be given by law.

“*Authorized Authority Representative*” means the person(s) at the time designated to act under the Loan Agreement and this Supplemental Indenture on behalf of the Authority by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Authority by the Chairman, Vice Chairman, Executive Director or Assistant Secretary of the Authority. Such certificate may designate an alternate or alternates.

“*Authorized Corporation Representative*” means the President or Secretary/Treasurer of the Corporation.

“*Authorized Denomination*” means \$5,000 or any integral multiple thereof.

“*Beneficial Owner*” means, so long as a book-entry system of registration is in effect pursuant to Section 3.13 hereof, the actual purchaser of the Series 2013 Bonds.

“*Board*” means the Board of Supervisors for the University of Louisiana System or its legal successor as the management board of the University, acting on behalf of the University, and on its own behalf.

“*Board Contribution*” means the funds deposited by the Board with the Trustee on or prior to the Closing Date.

“*Board Documents*” means the Ground Lease and the Facilities Lease, as they may be amended or supplemented from time to time.

“*Bond Documents*” means the Indenture, the Loan Agreement, the Facilities Lease, the Ground Lease and the Mortgage, as each may be amended or supplemented from time to time.

“*Bond Register*” means, when used with respect to the Series 2013 Bonds, the registration books maintained by the Trustee pursuant to Section 3.8 of this Supplemental Indenture.

“*Bonds*” means the Series 2004B Bonds, the Series 2013 Bonds and any Additional Bonds.

“*Bondholder*” or “*owner*” when used with reference to a Series 2013 Bond, means the registered owner of any Outstanding Series 2013 Bond.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*Closing Date*” means the date on which the Series 2013 Bonds are delivered and payment therefor is received by the Authority.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“*Corporation*” means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Debt Service Reserve Fund Investment*” means a surety bond, insurance policy or letter of credit meeting the requirements of Section 4.13(d) hereof.

“*Defeasance Obligations*” means noncallable direct obligations of the United States of America (including direct obligations of the United States of America that have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

“*DTC*” or “*Securities Depository*” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depositories appointed pursuant to this Supplemental Indenture.

“*Escrow Deposit Agreement*” means that certain Escrow Deposit Agreement dated as of November 1, 2013 by and between the Authority and the Escrow Trustee.

“*Escrow Fund*” means the Escrow Fund established by the Escrow Deposit Agreement to be held by the Escrow Trustee for the purpose of paying the Redemption Price of the Refunded Bonds.

“*Escrow Trustee*” means The Bank of New York Mellon Trust Company, N.A., in its capacity as escrow agent pursuant to the Escrow Deposit Agreement.

“*Facilities*” means the facilities and offices described in Exhibit A to the Loan Agreement, as amended and supplemented in accordance with the provisions of the Loan Agreement, that were designed, constructed, renovated and equipped with the proceeds of the Series 2004 Bonds, including all furnishings, fixtures and equipment incidental or necessary in connection therewith, on the campus of the University.

“*Facilities Lease*” means the Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013, each by and between the Corporation and the Board, including any additional supplements and amendments thereto and thereof.

“*Fiscal Year*” means any period of twelve consecutive months adopted by the Corporation as its Fiscal Year for financial reporting purposes, currently the period beginning on January 1 and ending on December 31 of each year.

“*Fitch Ratings*” means Fitch Ratings, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch ratings” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, with the consent of the Corporation.

“*Ground Lease*” means the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013, each by and between the Board, as lessor, and the Corporation, as lessee, whereby the Property is leased by the Board to the Corporation, and any amendment or supplement thereto entered into from time to time in accordance with the terms thereof.

“*Indenture*” means the Original Indenture as supplemented and amended by this Supplemental Indenture, as it may be further amended or supplemented from time to time by supplemental indentures or in accordance with the provisions of the Original Indenture.

“*Interest Account*” means the Interest Account within the Series 2013 Debt Service Fund created pursuant to Article IV of this Supplemental Indenture.

“*Interest Payment Date*” or “*interest payment date*” when used with respect to the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014.

“*LCDA Act*” means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33: 4548.1 to 4548.16, inclusive) and all future acts supplemental thereto and amendatory thereof.

“*Loan*” means the aggregate amount of moneys loaned to the Corporation pursuant to the Supplemental Loan Agreement.

“*Loan Agreement*” means, collectively, the Original Loan Agreement, as supplemented and amended by the Supplemental Loan Agreement.

“*Management Agreement*” means any Management Agreement or similar agreement, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

“*Management Company*” means any entity employed to manage the facilities under any Management Agreement.

“*Management Fee*” means, if any, the fee owed to the Management Company of the Facilities pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

“*Moody’s*” means Moody’s Investors Service, a Delaware corporation, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “*Moody’s*” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority with the approval of the Corporation.

“*Mortgage*” means the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee.

“*Operating Expenses*” means the current expenses of operation, maintenance and current repair of the Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker’s compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Supplemental Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Authority (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. “*Operating Expenses*” will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Facilities; or (4) amortization of financing costs.

“*Original Indenture*” means that certain Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee pursuant to which the Series 2004 Bonds were issued.

“*Original Loan Agreement*” means that certain Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation.

“*Outstanding*” or “*outstanding*,” when used with reference to the Bonds, means all such bonds that have been authenticated and issued under the Indenture except those:

- (a) canceled by the Trustee pursuant to the Indenture;
- (b) for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of the Indenture;
- (c) that have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in the Indenture;
- (d) in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in the Indenture; and
- (e) for all purposes regarding consents and approvals or directions of Bondholders under the Loan Agreement or the Indenture, held by or for the Authority, the Corporation or any person controlling, controlled by or under common control with either of them.

“*Participant*” means any broker-dealer, bank and other financial institution from time to time for which DTC holds Series 2013 Bonds as securities depository.

“*Payments*” means the amounts of repayments under the Supplemental Loan Agreement with respect to the Series 2013 Bonds to be made by the Corporation as provided in Article IV of the Supplemental Loan Agreement.

“*Permitted Investments*” means the following securities:

To the extent permitted by State law, the following obligations may be used as permitted investments for all purposes, including defeasance investments in refunding escrow accounts:

(a) Cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the next paragraph).

(b) Direct obligations of (including obligations issued or held in book entry form on the books of the Department of Treasury) the United States of America. In the event these securities are used for defeasance, they shall be non-callable and non-prepayable.

(c) Obligations of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America (in the event these securities are used for defeasance, they shall be non-callable and nonprepayable):

- (i) U.S. Export-Import Bank (Eximbank);
- (ii) Rural Economic Community Development Administration;
- (iii) Federal Financing Bank;
- (iv) U.S. Maritime Administration;
- (v) U.S. Department of Housing and Urban Development (PHAs);
- (vi) General Services Administration;
- (vii) Small Business Administration;
- (viii) Government National Mortgage Association (GNMA);
- (ix) Federal Housing Administration; and
- (x) Farm Credit System Financial Assistance Corporation.

To the extent permitted by law, the following obligations may be used as permitted investments for all purposes other than defeasance investments in refunding escrow accounts:

(a) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

(i) Senior debt obligations rated in the highest long-term rating category by at least two nationally recognized rating agencies issued by Fannie Mae (FNMA) or Freddie Mac (FHLMC).

(ii) Senior debt obligations of the Federal Home Loan Bank System.

(iii) Senior debt obligations of other Government Sponsored Agencies.

(b) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which either (i) have a rating on their short-term certificates of deposit on the date of purchase in the highest short-term rating category of at least two nationally recognized rating agencies, (ii) are insured at all times by the Federal Deposit Insurance Corporation, or (iii) are collateralized with direct obligations of the United States of America at one hundred two percent (102%) valued daily. All such certificates must mature no more than three hundred sixty (360) days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank).

(c) Commercial paper which is rated at the time of purchase in the highest short-term rating category of at least two (2) nationally recognized rating agencies and which matures not more than two hundred seventy (270) days after the date of purchase.

(d) Investments in (i) money market funds subject to SEC Rule 2a-7 and rated in the highest short-term rating category of at least two nationally recognized rating agencies and (ii) public sector investment pools operated pursuant to SEC Rule 2a-7 in which the Authority's deposit shall not exceed 5% of the aggregate pool balance at any time and such pool is rated in one of the two highest short-term rating categories of at least two nationally recognized rating agencies.

(e) Pre-refunded municipal obligations defined as follows: (i) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and, a. which are rated, based on an irrevocable escrow account or fund (the "*escrow*"), in the highest long-term rating category of at least two (2) nationally recognized rating agencies; or (ii) (A) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

(f) Bonds, debentures, notes, or other evidence of indebtedness issued by the state of Louisiana or any of its political subdivisions (other than the Authority); however:

(i) The indebtedness shall have a minimum investment grade rating of Baa3 or higher by Moody's, a rating of BBB- or higher by the S&P or a rating of BBB- or higher by Fitch, Inc.

(g) Bonds, debentures, notes, or other indebtedness issued by a state of the United States of America other than Louisiana or any such state's political subdivisions provided that all of the following conditions are met:

(i) The indebtedness has a minimum rating of A3 or higher by Moody's or a rating of A- or higher by S&P a rating of A- or higher by Fitch, Inc.

(ii) Prior to purchase of any such indebtedness and at all times during which such indebtedness is owned, the Authority or the Corporation retains the services of an investment advisor registered with the United States Securities and Exchange Commission.

(h) Investment agreements supported by appropriate opinions of counsel.

(i) Other forms of investments (including repurchase agreements) supported by appropriate opinions of counsel.

The value of the above investments, other than cash, shall be determined as follows:

“*Value*”, which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

(a) As to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) As to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) As to certificates of deposit and bankers acceptances, the face amount thereof, plus accrued interest; and

(d) As to any investment not specified above, the value thereof established by prior agreement among the Authority and the Trustee.

“*Principal Account*” means the Principal Account within the Series 2013 Debt Service Fund created pursuant to Article IV of this Supplemental Indenture.

“*Property*” means the immovable property more particularly described in Exhibit A attached to the Ground Lease and all Improvements now or thereafter located thereon, including the Facilities, together with all other rights and interests leased pursuant thereto.

“*Receipts Fund*” means the fund of that name held by the Trustee pursuant to Article IV of the Original Indenture.

“*Record Date*” means the fifteenth calendar day of the month next preceding an Interest Payment Date, or, if such day shall not be a Business Day, the next preceding Business Day.

“*Redemption Date*” means August 1, 2014, the date on which all Refunded Bonds will be redeemed.

“*Redemption Price*” means the amount necessary to pay the principal of and interest on the Refunded

Bonds to the Redemption Date.

“*Refunded Bonds*” means the Series 2004A Bonds.

“*Refunding Act*” means Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456).

“*Replacement Fund*” shall mean the Replacement Fund held by the Trustee pursuant to the Indenture.

“*Series 2004 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2004 Bonds, and any successor thereto.

“*Series 2004 Bonds*” means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

“*Series 2004 Debt Service Fund*” means the Debt Service Fund created pursuant to the Original Indenture.

“*Series 2004 Debt Service Reserve Fund*” shall mean the Debt Service Reserve Fund held by the Trustee pursuant to the Original Indenture.

“*Series 2004A Bonds*” means the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A.

“*Series 2004B Bonds*” means the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B.

“*Series 2013 Bond Proceeds Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Bonds*” means the \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013, and such bonds issued in exchange for those issued pursuant to this Supplemental Indenture, or in replacement for those issued pursuant to this Supplemental Indenture, which bonds have been mutilated, destroyed, lost or stolen.

“*Series 2013 Costs of Issuance Account*” means the account of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Reserve Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Reserve Fund Requirement*” means one-half (1/2) of the least of (a) ten percent (10%) of the stated principal amount of the Series 2013 Bonds, (b) one hundred twenty-five percent

(125%) of the average Annual Debt Service on the Series 2013 Bonds from the date of calculation to the final maturity thereof or (c) the Maximum Annual Debt Service with respect to the Series 2013 Bonds.

“*Series 2013 Rebate Fund*” means the fund of that name created under Section 4.1 of this Second Supplemental Indenture.

“*S&P*” or “*Standard & Poor’s Ratings Group*” mean Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “*S&P*” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority with the approval of the Corporation.

“*State*” means the State of Louisiana.

“*Supplemental Indenture*” means this First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions hereof.

“*Supplemental Loan Agreement*” the First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof

“*Tax Regulatory Agreement*” means the Tax Regulatory Agreement and Arbitrage Certificate dated the Closing Date, among the Corporation, the Board, the Trustee and the Authority.

“*Trust Estate*” means all the property assigned by the Authority to the Trustee pursuant to the Indenture as security for the Bonds.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Supplemental Indenture that may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture, initially The Bank of New York Mellon Trust Company, N.A.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

Section 1.2 Rules of Construction. The following rules shall apply to the construction of this Supplemental Indenture unless the context requires otherwise: (a) the singular includes the plural and the plural, the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to “writing” include printing, photocopying, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation”; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Supplemental Indenture unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent that such amendments and other modifications are permitted or not prohibited by the terms of this Supplemental Indenture; (h) references to Persons include their respective successors and assigns permitted or not prohibited by the terms of this Supplemental Indenture; (i) an accounting term not otherwise defined has the meaning assigned to it in

accordance with generally accepted accounting principles; (j) "or" is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which have expired shall be of no force and effect after such termination, release or expiration; (m) references to mail shall be deemed to refer to first-class, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Baton Rouge, Louisiana time; (o) references to specific persons, positions or officers shall include those who or which succeed to or perform their respective functions, duties or responsibilities referred to in the Bond proceedings; (p) the terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Supplemental Indenture as a whole and not to any particular article, section or subdivision hereof; and the term "heretofore" means before the date of adoption of this Supplemental Indenture, the term "now" means at the date of adoption of this Supplemental Indenture, and the term "hereafter" means after the date of adoption of this Supplemental Indenture; and (q) references to payments of principal include any premium payable on the same date.

ARTICLE II GRANTING CLAUSES

Section 2.1 Granting Clauses. In consideration of the acceptance by the Trustee of the trusts and duties set forth in this Supplemental Indenture on behalf of the owners of all Series 2013 Bonds issued and secured hereunder; of the purchase and acceptance of the Series 2013 Bonds issued and secured by this Supplemental Indenture by the owners thereof; of the payment of the purchase price of the Series 2013 Bonds to the Trustee for application as provided hereinafter; and in order to secure the payment of any and all Series 2013 Bonds at any time Outstanding hereunder, according to the tenor and effect thereof and the premium and interest thereon, the payment of all costs, fees and charges specified herein, and the payment of all other sums if any, from time to time due to the owners of all Series 2013 Bonds secured hereunder and to the Trustee or its successors and assigns, or to others, according to the intent and meaning of all such Series 2013 Bonds and this Supplemental Indenture, up to a maximum principal amount of \$40,910,000, and for the purpose of securing the performance and observance by the Authority of all the covenants and conditions herein contained, the Authority does hereby TRANSFER, ASSIGN AND DELIVER TO AND IN FAVOR OF the Trustee, and its successor or successors in trust, for the benefit of the owners of all Series 2013 Bonds secured hereunder on a parity basis with the Series 2004 Bonds and any Additional Bonds, its interest in the following described properties, rights, interests and benefits, together with its leasehold interest in the immovable property subject to the Mortgage, which are collectively called the "*Trust Estate*" for purposes of the Indenture:

All right, title and interest of the Authority in, to and under the Loan Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), all payments, proceeds, revenues, income, receipts, issues, benefits and other moneys received or derived by the Authority under the Loan Agreement including, without limitation, the Payments to be paid by the Corporation to the Trustee for the account of the Authority pursuant to Section 4.2 of the Loan Agreement;

All right, title and interest of the Authority in, to and under the Ground Lease and the Facilities Lease assigned by the Corporation to the Authority under the Loan Agreement, including without limitation its right to receive Base Rental payable under the Facilities Lease, (except for payments of Additional Rental made under the Facilities Lease) and all proceeds of insurance received or receivable by the Corporation, on behalf of the Board, as a result of any damage to or destruction of the Facilities, or any part thereof, all amounts received or receivable by the Corporation, on behalf of the Board, as compensation for the taking or transfer of the Facilities, or any part thereof, in lieu of a taking or use of the Facilities, under the powers of eminent domain, but only to the extent that such proceeds, award or compensation is not used for the restoration, repair or reconstruction of the Facilities to which such proceeds, award or compensation is attributable, all amounts received or receivable by the Corporation, on behalf of the Board, from the sale of the Facilities, or any part thereof, all amounts collected

under payment and performance bonds, if any, maintained with respect to the Facilities, and any and all additional revenues, income, receipts and other payments (including, without limitation, grants, donations, gifts and appropriations received from any private or public source) that hereafter are received by the Corporation, on behalf of the Board, for or relating to the Facilities or that hereafter may be assigned by the Corporation pursuant to the Loan Agreement, which receipt shall not affect the tax-exempt status of the Series 2013 Bonds;

All cash, moneys, securities and investments that may at any time and from time to time, pursuant to the provisions of the Indenture, be paid to the Trustee or be in the hands of the Trustee, except for moneys in the Rebate Fund and except as the interest of said Trustee in such cash, moneys, securities and investments may otherwise appear in the Indenture, provided, however, that nothing in the Indenture shall be construed to affect any property held by the Trustee in any capacity other than as Trustee hereunder; and

To the extent not covered by the clauses above, all proceeds of any and all of the foregoing.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successor or successors and assigns forever; in trust, nevertheless subject to the terms and conditions and trusts herein set forth, for the equal benefit, security and protection of all and singular the present and future owners of all of the Series 2013 Bonds issued under and secured by this Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, except as may otherwise be provided herein, of any one Series 2013 Bond over any other Series 2013 Bond or of principal over interest or interest over principal, all as herein provided, and for the uses and purposes, and upon the terms, agreements and conditions set forth herein.

The Trust Estate assigned hereunder is also assigned to secure the payment of any and all sums which the Trustee may expend or become obligated to expend (including but not limited to court costs and attorneys' fees) to preserve and protect any of the Trust Estate or to cure any default of the Corporation under the Loan Agreement or arising out of any such default or incident of delay in payment of sums and the performance of obligations thereunder, or in pursuing or exercising any right, rights, remedy or remedies consequent upon the default of the Corporation thereunder.

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay, or cause to be paid, or provide for the payment pursuant to the provisions of this Supplemental Indenture, the principal of the Series 2013 Bonds, premium, if any, and the interest due or to become due thereon, at the times and in the manner set forth in the Series 2013 Bonds and this Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and agreements as provided in and pursuant to the terms of this Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such performance and payments this Supplemental Indenture and the rights created hereby shall cease, terminate and be void as provided in Article XII hereof; otherwise this Supplemental Indenture shall be and remain in full force and effect.

The Authority hereby covenants and agrees with, and does hereby covenant unto the Trustee, that it has good right and lawful authority to transfer and assign the Trust Estate (subject to the rights and liens previously granted to secure the Series 2004 Bonds) to the extent and in the manner herein provided; that the Authority will not suffer any lien or encumbrance to exist upon the Trust Estate, or any part thereof, superior to the security or lien to accrue or be created under this Supplemental Indenture; or do or suffer any act or thing whereby the security hereof may be diminished or impaired; and the Authority further does covenant, and by these presents

hereby covenants and agrees to defend or cause to be defended forever the title to each and every part of said Trust Estate against the claims and demands of all persons whomsoever.

THIS SUPPLEMENTAL INDENTURE FURTHER WITNESSETH and it is expressly declared that all Series 2013 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of said Trust Estate hereby conveyed, transferred, assigned, confirmed, pledged and encumbered is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant with the Trustee and with the respective owners, from time to time, of the Series 2013 Bonds, or any part thereof as follows:

ARTICLE III
AUTHORIZATION, TERMS AND CONDITIONS OF SERIES 2013 BONDS

Section 3.1 Series 2013 Bonds Issuable Under this Article Only. No Series 2013 Bonds may be issued under the provisions of this Supplemental Indenture except in accordance with the provisions of this Article.

Section 3.2 Authorization of Series 2013 Bonds.

(a) There is hereby authorized and issued under this Supplemental Indenture \$40,910,000 aggregate principal amount of bonds to be known as “Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013” on a parity with the Series 2004B Bonds, and any Additional Bonds issued in various series from time to time, for the purpose of (i) refunding the Refunded Bonds and (ii) paying the costs of issuance of the Series 2013 Bonds.

(b) The Series 2013 Bonds are issuable as fully registered bonds, without coupons, in Authorized Denominations and shall be numbered from No. R-1 upwards. The Series 2013 Bonds shall be dated the date of delivery, shall mature (subject to prior redemption as hereinafter set forth) on August 1 of the years and in the principal amounts and shall bear interest from the date thereof, payable on February 1 and August 1 of each year, commencing February 1, 2014, at the rates per annum (using a year of 360 days comprised of twelve 30-day months) as follows:

| <u>Date</u> <u>(August 1)</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> |
|----------------------------------|-----------------------------------|--------------------------------|
| 2014 | \$1,985,000 | 2.000% |
| 2014 | 700,000 | 3.000% |
| 2015 | 2,750,000 | 3.000% |
| 2016 | 2,855,000 | 4.000% |
| 2017 | 2,970,000 | 4.000% |
| 2018 | 3,105,000 | 5.000% |
| 2019 | 3,265,000 | 5.000% |
| 2020 | 3,415,000 | 5.000% |
| 2021 | 3,585,000 | 5.000% |
| 2022 | 3,775,000 | 5.000% |
| 2023 | 2,045,000 | 3.250% |
| 2023 | 1,890,000 | 5.000% |

| | | |
|------|-----------|--------|
| 2024 | 305,000 | 3.500% |
| 2024 | 1,500,000 | 4.500% |
| 2024 | 2,300,000 | 5.000% |
| 2026 | 4,465,000 | 4.000% |

(c) The principal of, and premium, if any, of the Series 2013 Bonds shall be payable to the registered owners thereof upon surrender of the Series 2013 Bonds at the principal corporate trust office of the Trustee. The interest on the Series 2013 Bonds, when due and payable, shall be paid by check or draft mailed by the Trustee on such due date to each person in whose name a Bond is registered, at the address(es) as they appear on the Bond Register maintained by the Trustee at the close of business on the applicable Record Date irrespective of any transfer or exchange of the Series 2013 Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Authority shall default in payment of interest due on such Interest Payment Date, provided that the owners of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owners have requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of any such default, such defaulted interest shall be payable on a payment date established by the Trustee to the persons in whose names the Series 2013 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owners of the Series 2013 Bonds not fewer than fifteen (15) days preceding such special record date. Payment as aforesaid shall be made in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

Section 3.3 Form of Series 2013 Bonds. The Series 2013 Bonds issued under this Supplemental Indenture shall be substantially in the form set forth in Exhibit A attached hereto and made a part hereof with such appropriate variations, additions, omissions and insertions as are permitted or required by this Supplemental Indenture. All Series 2013 Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Series 2013 Bonds may be listed or any usage or requirement of law with respect thereto. All Series 2013 Bonds may bear identifying CUSIP numbers, but any failure to include such numbers or any error in any CUSIP number so included shall not in any way affect the validity of the Series 2013 Bonds.

Section 3.4 Redemption of Series 2013 Bonds.

(a) Optional Redemption. The Series 2013 Bonds maturing August 1, 2024 and thereafter are subject to redemption prior to maturity at the option of the Corporation, upon written direction to the Authority, on or after August 1, 2023 as a whole at any time, or in part on any Interest Payment Date, the maturity of said Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(b) Extraordinary Redemption. The Series 2013 Bonds shall be redeemed as a whole or in part (in an integral multiple of \$5,000) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds, condemnation award or payment in lieu of condemnation with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, in an aggregate principal amount equal to the amount of such insurance proceeds, condemnation award or payment in lieu of condemnation not used for restoration, repair or reconstruction. If in part, the Series 2013 Bonds to be redeemed shall be in the inverse order of their maturity and selected within a maturity by the

Trustee in such manner as the Trustee may determine. If the amount of any insurance proceeds, condemnation award or payment in lieu of condemnation to be applied in redemption of the Series 2013 Bonds is not an integral multiple of \$5,000, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subparagraph (b) shall be decreased to the next lower multiple of \$5,000.

(c) Mandatory Sinking Fund Redemption. Those Bonds maturing on August 1, 2026 shall be subject to mandatory redemption and payment prior to maturity on August 1 in each of the years set forth below, at 100% of the principal amounts plus accrued interest to the redemption date, without premium, as follows:

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
| 2025 | \$ 4,295,000 |
| 2026* | 170,000 |

*Final Maturity

(d) Any Additional Bonds issued under the provisions of Article V of this Supplemental Indenture may be made subject to redemption, either in whole or in part and at such times and prices, as may be provided in the resolution or resolutions of the Authority authorizing the issuance of such Additional Bonds.

(e) Unless otherwise specified above, if fewer than all of the Series 2013 Bonds shall be called for redemption, the Series 2013 Bonds to be redeemed shall be in inverse order of their maturity, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

(f) At least thirty (30) days before the redemption date of any Series 2013 Bonds, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if fewer than all of the Series 2013 Bonds then Outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

(g) On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided and money for payment of the redemption price being held in the Series 2013 Debt Service Fund in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, the Series 2013 Bonds or portions of Series 2013 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2013 Bonds or portions of Series 2013 Bonds on such date, interest on the Series 2013 Bonds or portions of Series 2013 Bonds so called for

redemption shall cease to accrue, such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to be entitled to any benefit or security under this Supplemental Indenture, and the owners of such Series 2013 Bonds or portions of Series 2013 Bonds shall not have rights in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the next paragraph, to receive Series 2013 Bonds for any unredeemed portions of Series 2013 Bonds.

(h) In case part, but not all, of an Outstanding Series 2013 Bond shall be selected for redemption, the registered owner thereof or his legal representative shall present and surrender such Series 2013 Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Trustee shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2013 Bond so surrendered, a new Series 2013 Bond.

(i) Series 2013 Bonds and portions of Series 2013 Bonds that have been duly called for redemption under the provisions of this Article, or with respect to which irrevocable instructions to call for redemption have been given to the Trustee in form satisfactory to it, and for the payment of the redemption price for which moneys, or Defeasance Obligations, shall be held by the Trustee in a segregated account in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, shall not thereafter be deemed to be outstanding under the provisions of this Supplemental Indenture and shall cease to be entitled to any security or benefit under this Supplemental Indenture other than the right to receive payment from such moneys.

Section 3.5 Execution; Limitation of Liability. The Series 2013 Bonds shall be executed on behalf of the Authority with the manual or facsimile signatures of the Chairman, Vice Chairman or Executive Director and the Secretary or Assistant Secretary of the Authority, and shall have impressed or imprinted thereon the official seal of the Authority or a facsimile thereof. The Series 2013 Bonds, together with interest and premium, if any, thereon, shall not constitute a debt of the State or any political subdivision thereof. The Series 2013 Bonds, together with interest thereon, shall be limited and special obligations of the Authority and shall be secured by and payable solely out of revenues derived from the Payments made pursuant to the Loan Agreement and Trust Estate pledged hereunder. The Authority shall not be obligated to pay the principal of the Series 2013 Bonds or the interest or premium, if any, thereon or other costs incidental thereto except from payments made pursuant to the Loan Agreement. In case any officer of the Authority whose signature or whose facsimile signature shall appear on the Series 2013 Bonds shall cease to be such officer before the delivery of such Series 2013 Bonds, such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE A PLEDGE OF THE GENERAL CREDIT OF THE AUTHORITY OR THE CORPORATION AND DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY, OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS TO BE RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

Section 3.6 Authentication. No Series 2013 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Supplemental Indenture unless and until a certificate of authentication

substantially in the form set forth in Exhibit A attached hereto and made a part hereof shall have been duly executed by a duly authorized representative of the Trustee, and such executed certificate of the Trustee upon any such Series 2013 Bond shall be conclusive evidence that such Series 2013 Bond has been authenticated and delivered under this Supplemental Indenture. The Trustee's certificate of authentication on any Series 2013 Bond shall be deemed to have been executed by it if signed by an authorized representative of the Trustee, but it shall not be necessary that the same representative sign the certificate of authentication on all of the Series 2013 Bonds issued hereunder.

Section 3.7 Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds. In the event any outstanding Series 2013 Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Authority may execute and, upon its request, the Trustee may authenticate a new Series 2013 Bond of the same principal amount and of like tenor as the mutilated, lost or stolen or destroyed Series 2013 Bond; provided that, in the case of any mutilated Series 2013 Bond, such mutilated Series 2013 Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Series 2013 Bond, there shall be first furnished to the Authority and the Trustee evidence of such loss, theft or destruction in form satisfactory to the Authority and the Trustee, together with indemnity satisfactory to them. In the event any such Series 2013 Bond shall have matured, instead of issuing a substitute Series 2013 Bond the Authority may authorize the payment of the same. The Authority and the Trustee may charge the owner of such Series 2013 Bond with their reasonable fees and expenses in this connection. Any Series 2013 Bond issued under the provisions of this Section 3.7 in lieu of any Series 2013 Bond alleged to be destroyed, lost or stolen shall constitute an original additional contractual obligation on the part of the Authority, whether or not the Series 2013 Bond so alleged to be destroyed, lost or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Supplemental Indenture together with all other Series 2013 Bonds in substitution for which such Series 2013 Bonds were issued.

Section 3.8 Registration of Series 2013 Bonds.

(a) The Trustee shall be the bond registrar for the Series 2013 Bonds. So long as any of the Series 2013 Bonds shall remain outstanding, there shall be maintained and kept for the Authority, at the principal corporate trust office of the Trustee, the Bond Register for the registration and transfer of the Series 2013 Bonds and, upon presentation thereof for such purpose at said office, the Trustee shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Series 2013 Bond.

(b) Each Series 2013 Bond shall be transferable only upon the Bond Register at the principal corporate trust office of the Trustee at the written request of the registered owner thereof or his legal representative duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his legal representative duly authorized in writing. Upon the transfer of any such Series 2013 Bond, the Trustee shall issue in the name of the transferee, in authorized denominations, one or more Series 2013 Bonds of the same aggregate principal amount as the surrendered Series 2013 Bonds.

Section 3.9 Persons Treated as Owners.

(a) The Authority and the Trustee may, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on any Series 2013 Bond and for all other purposes, deem and treat the person in whose name such Series 2013 Bond shall be registered upon the Bond Register as

the absolute owner of such Series 2013 Bond, whether or not such Series 2013 Bond is overdue, and neither the Authority nor the Trustee shall be affected by any notice to the contrary.

(b) Payment made to the person deemed to be the owner of any Series 2013 Bond for the purpose of such payment in accordance with the provisions of this Section 3.9 shall be valid and effectual, to the extent of the sum or sums so paid, to satisfy and discharge the liability upon such Series 2013 Bond in respect of which such payment was made.

Section 3.10 Exchange and Transfer of Series 2013 Bonds. As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Series 2013 Bonds in Authorized Denominations.

(b) For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(c) The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

Section 3.11 Cancellation and Destruction of Surrendered Series 2013 Bonds. Upon the surrender to the Trustee of any temporary or mutilated Series 2013 Bonds, or Series 2013 Bonds transferred or exchanged for other Series 2013 Bonds, or Series 2013 Bonds paid at maturity by the Authority, the same shall forthwith be canceled and destroyed by the Trustee, and the Trustee, upon the request of the Authority, shall deliver its certificate of such destruction to the Authority.

Section 3.12 Delivery of the Series 2013 Bonds.

(a) Upon the execution and delivery of this Supplemental Indenture, the Authority shall execute and deliver to the Trustee, and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof as shall be directed by the Authority as hereinafter in this Section provided. The Authority shall execute and deliver to the Trustee and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof as shall be directed by the Authority as hereinafter in this Section provided.

(b) Prior to or simultaneously with the delivery by the Trustee of the Series 2013 Bonds there shall be filed with the Trustee:

(i) A copy, duly certified by the Secretary, Executive Director or an Assistant Secretary of the Authority, of the resolution or resolutions adopted by the Authority authorizing the execution and delivery of this Supplemental Indenture and the Loan Agreement, as amended, and all other instruments contemplated thereby and the authorization, issuance, sale and delivery of the Series 2013 Bonds;

(ii) A copy, duly certified by an Authorized Corporation Representative, of the resolution or resolutions of the Corporation authorizing the execution and delivery of the Loan Agreement, and all other instruments contemplated thereby and approving this Supplemental Indenture and the authorization, issuance, sale and delivery of the Series 2013 Bonds;

(iii) Original executed counterparts of this Supplemental Indenture, the Supplemental Loan Agreement, the Facilities Lease and the Ground Lease;

(iv) Signed copies of all opinions of counsel required in connection with the issuance of the Series 2013 Bonds and the transactions contemplated thereby;

(v) A request and authorization to the Trustee on behalf of the Authority and signed by its Chairman, Vice Chairman, Executive Director, Secretary or an Assistant Secretary to authenticate and deliver the Series 2013 Bonds to the purchasers thereof and specifying the amounts to be deposited in the Series 2013 Cost of Issuance Account, the Replacement Fund, the Series 2013 Debt Service Reserve Fund and the Escrow Fund hereunder; and

(vi) A signed copy of the legal opinion of Jones Walker LLP, addressed to the Trustee, to the effect that (i) the Series 2013 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and this Supplemental Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (ii) authorizing the Trustee to rely upon Bond Counsel's approving opinion as if it were addressed to the Trustee.

(c) The Authority hereby authorizes and directs the Trustee to execute and deliver the Tax Regulatory Agreement dated the Closing Date, among the Authority, the Board, the Trustee and the Corporation.

Section 3.13 Book-Entry Registration of Series 2013 Bonds.

(a) The Series 2013 Bonds shall be initially issued in the name of Cede & Co., as nominee for DTC, as registered owner of the Series 2013 Bonds, and held in the custody of DTC (or the Trustee as the agent of DTC under the F.A.S.T. delivery system). The Authority and the Trustee acknowledge that the Authority has executed and delivered a Blanket Letter of Representations with DTC and that the terms and provisions of said Letter of Representations shall govern in the event of any inconsistency between the provisions of this Supplemental Indenture and said Letter of Representations. A single bond certificate for each maturity of Series 2013 Bonds will be issued and delivered to DTC. The Beneficial Owners will not receive physical delivery of Series 2013 Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Series 2013 Bond acquired. For so long as DTC shall continue to serve as securities depository for the Series 2013 Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Series 2013 Bonds is to receive, hold or deliver any Bond certificate.

(b) For every transfer and exchange of the Series 2013 Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

(c) The Authority, the Corporation and the Trustee will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

(d) Neither the Authority, the Trustee, the Corporation nor the Board is responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy in lieu of consent.

(e) Whenever during the term of the Series 2013 Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Supplemental Indenture of holding, delivering or transferring Series 2013 Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

(f) DTC may determine to discontinue providing its services with respect to the Series 2013 Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law.

(g) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2013 Bonds if the Authority determines that (i) DTC is unable to discharge its responsibilities with respect to the Series 2013 Bonds, or (ii) a continuation of the requirement that all of the outstanding Series 2013 Bonds be registered on the registration books kept by the Trustee in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Series 2013 Bonds.

(h) Upon the termination of the services of DTC with respect to the Series 2013 Bonds pursuant to the above two paragraphs, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority is willing and able to undertake such functions upon reasonable and customary terms, the Authority is obligated to deliver Series 2013 Bonds to the owner, at the expense of the said owner as described in this Supplemental Indenture, and the Series 2013 Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names holders transferring or exchanging Series 2013 Bonds shall designate in accordance with the provisions of this Supplemental Indenture.

(i) Notwithstanding any other provision of this Supplemental Indenture to the contrary, so long as any Series 2013 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Series 2013 Bond and all notices with respect to such Series 2013 Bond shall be made and given, respectively, in the manner provided in the Blanket Letter of Representations of the Authority dated November 17, 1998 and delivered to DTC.

(j) If at any time DTC ceases to hold the Series 2013 Bonds, all references herein to DTC shall be of no further force or effect.

ARTICLE IV
FUNDS AND ACCOUNTS; FLOW OF FUNDS;
INVESTMENTS; DEPOSITS; ARBITRAGE

Section 4.1 Creation and Use of Funds and Accounts. On or prior to the Closing Date, in addition to the funds and accounts created pursuant to the Original Indenture, the following special trust funds and accounts (except as qualified in this Section 4.1) shall be established and maintained with the Trustee so long as any Series 2013 Bonds issued under this Supplemental Indenture are outstanding:

(a) Series 2013 Bond Escrow Fund and a Series 2013 Costs of Issuance Account therein;

- (b) Series 2013 Debt Service Fund, and the following accounts therein:
 - (i) Interest Account;
 - (ii) Principal Account;
- (c) Series 2013 Debt Service Reserve Fund; and
- (d) Series 2013 Rebate Fund.

Section 4.2 Series 2013 Bond Proceeds Fund.

(a) On or prior to the Closing Date, the Series 2013 Bond Escrow Fund shall be used to receive the proceeds of the Series 2013 Bonds, a transfer from the Series 2004 Debt Service Reserve Fund, the Series 2004 Debt Service Fund, and the Series 2004 Project Fund held by the Trustee, and the Board Contribution. Any funds received prior the Closing Date may be held uninvested. On the Closing Date, the Trustee shall disburse amounts held in the Series 2013 Bond Proceeds Fund as follows:

- (i) to retain such sum in the Series 2013 Costs of Issuance Account as may be specified in the request and authorization delivered pursuant to Section 3.12 hereof;
- (ii) to transfer to the Series 2013 Debt Service Reserve Fund an amount equal to the Series 2013 Debt Service Reserve Fund Requirement; and
- (iii) to transfer to the Escrow Trustee for deposit to the Escrow Fund the balance of the proceeds of the Series 2013 Bonds, the Series 2004 Debt Service Reserve Fund, the Series 2004 Debt Service Fund, the Series 2004 Project Fund, and the Board Contribution.

(b) Amounts deposited on the Closing Date into the Series 2013 Costs of Issuance Account of the Series 2013 Bond Proceeds Fund shall be disbursed, pursuant to the written instructions of the Authority, to pay Costs of Issuance. The Trustee is authorized and directed to pay such Costs of Issuance in accordance with the payment instructions set forth in the respective invoices submitted to the Trustee for payment pursuant to such written instructions of the Authority. Any amounts remaining in the Series 2013 Costs of Issuance Account 180 days after delivery of the Series 2013 Bonds (and not specifically committed to pay additional Costs of Issuance) shall be deposited into the Interest Account of the Series 2013 Debt Service Fund.

Section 4.3 Series 2013 Debt Service Fund. The Trustee shall deposit into the applicable account of the Series 2013 Debt Service Fund the amounts required by Section 4.6 of this Supplemental Indenture.

(a) Moneys on deposit in the Interest Account of the Series 2013 Debt Service Fund shall be used solely to pay the interest on the Series 2013 Bonds as it becomes due and payable, whether on an Interest Payment Date, at maturity or upon acceleration.

(b) Moneys on deposit in the Principal Account of the Series 2013 Debt Service Fund shall be used solely to pay the principal of the Series 2013 Bonds as it becomes due and payable, whether at maturity, prior redemption or upon scheduled sinking fund redemption; and, if funds are available for such purpose and at the written direction of the Authority, to effect the redemption of the Series 2013 Bonds prior to their maturity in accordance with the redemption provisions hereof or the purchase of Series 2013 Bonds prior to their maturity in

the open market at a price not in excess of the then applicable redemption price (the principal amount thereof, premium, if any, plus accrued interest).

(c) Whenever and to the extent that money on deposit in the Interest Account or the Principal Account is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, the Trustee shall transfer money from the Surplus Fund, the Replacement Fund and the Debt Service Reserve Fund, in that order.

Section 4.4 Replacement Fund. The Replacement Fund shall be maintained with the Trustee and used to fund the cost of replacing any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, fixtures or equipment placed upon or used in connection with the Facilities. Moneys in the Replacement Fund will also be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts, together with money available therefor in the Surplus Fund, is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Section 4.5 Series 2013 Rebate Fund. Moneys deposited and held in the Series 2013 Rebate Fund shall be used to make all rebate payments owed to the United States under the Code, and shall not be subject to the pledge of this Supplemental Indenture. The Corporation shall make the calculation(s) required by the Code and the Tax Regulatory Agreement and Arbitrage Certificate and shall direct the Trustee to make deposits to and make disbursements from the Series 2013 Rebate Fund that the Corporation determines are in accordance therewith. The Tax Regulatory Agreement and any provisions of this Supplemental Indenture governing deposits to the Series 2013 Rebate Fund may be superseded or amended by the Corporation (except the requirement of annual calculations and deposits to the Series 2013 Rebate Fund, if required) if accompanied by an opinion of Bond Counsel addressed to the Corporation and the Trustee to the effect that the use of the new Tax Regulatory Agreement will not cause the interest on the Series 2013 Bonds to become includable in gross income of the recipient thereof for federal tax purposes.

Section 4.6 Receipts Fund. There shall be deposited into the Receipts Fund all funds received from or paid on behalf of the Board under the Facilities Lease, including: (i) daily, all rents, charges and other amounts, held in the deposit account maintained by the Management Company pursuant any Management Agreement; and (ii) all Lawfully Available Funds from the Board used to make Base Rental Payments pursuant to the Facilities Lease. The Trustee will transfer the amount so deposited in the Receipts Fund to the Series 2004 Debt Service Fund and the Series 2013 Debt Service Fund without distinction or priority. Moneys on deposit in the Receipts Fund will be withdrawn by the Trustee in accordance with the requirements of the Original Indenture and this Supplemental Indenture and ratably on a parity therewith and applied in the following priority:

(a) At such time as may be required by the Tax Regulatory Agreement but not less often than annually, to the Rebate Fund and the Series 2013 Rebate Fund the amount required to be deposited thereunder;

(b) On the twenty-fifth (25th) day of each month, beginning on the twenty-fifth (25th) day of the month following the effective date of any Management Agreement, to the Operating Fund (as defined in the Management Agreement) maintained by the Management Company, an amount necessary to make the amount in the Operating Fund equal to the Operating Expenses for the next month as shown on the Operating Budget (as defined in the Management Agreement) for such month, as certified by the Management Company;

(c) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on February 1, 2014 and thereafter, on the 25th day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on the next February 1 and August 1 or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds and Series 2013 Bonds on such Interest Payment Date;

(d) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at an Auction Rate on such Interest Payment Date;

(e) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at a Variable Rate on such Interest Payment Date;

(f) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Principal Account of the Series 2004 Debt Service Fund and the Principal Account of the Series 2013 Debt Service Fund an amount equal to one-ninth (1/9th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the 25th day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on the next Principal Payment Date;

(g) On the twenty-fifth (25th) day of the month, any amounts due to the Series 2004 Bond Insurer under the Reimbursement Agreement;

(h) On the twenty-fifth (25th) day of each month following any drawing on the Debt Service Reserve Fund in accordance with Section 4.21 of the Original Indenture or any drawing on the Series 2013 Debt Service Reserve Fund in accordance with Section 4.13 hereof, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement for the Series 2004B Bonds and the Series 2013 Debt Service Reserve Fund to equal the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds within twelve (12) months or (ii) the excess of the Debt Service Reserve Fund Requirement for the Series 2004 Bonds or the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds over the amount on deposit in the Debt Service Reserve Fund or the Series 2013 Debt Service Reserve Fund;

(i) Annually, beginning August 1, 2014, an amount equal to \$122,987.38 into the Replacement Fund, with such amount increased each year, beginning August 1, 2015 at a rate of 3% annually; or such lesser annual amount as is permitted by the Board of Regents and approved by the Series 2004 Bond

Insurer; in each case, as set forth in writing delivered in advance thereof to the Trustee; and, in the event that any funds shall have been withdrawn from the Replacement Fund to cure any deficiency in the Interest Account or the Principal Account of the Series 2004 Debt Service Fund or the Interest Account or the Principal Account of the Series 2013 Debt Service Fund pursuant to Section 4.3(c) hereof, the amount of such withdrawal;

(j) On the twenty-fifth (25th) day of each month, commencing the month following the effective date of any Management Agreement, an amount equal to the monthly Management Fee for the current Fiscal Year plus any Management Fee for any prior month that remains unpaid;

(k) Annually on August 1 of each year beginning August 1, 2014 any amounts remaining in the Receipts Fund after making all transfers required to be made on such date under Section 4.6(a) through (j) hereof shall be transferred to the Surplus Fund and applied as set forth in Section 4.25 of the Original Indenture.

After a Variable Rate Conversion of the Series 2004B Bonds, payments will be made from the Receipts Fund to the Series 2004 Debt Service Fund in accordance with the supplemental indenture executed in connection with such Variable Rate Conversion.

Section 4.7 Series 2013 Debt Service Reserve Fund. Moneys on deposit in the Series 2013 Debt Service Reserve Fund shall be maintained in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement, and shall be transferred, in accordance with the priority set out in Section 4.3(c) above, to the Interest Account or the Principal Account of the Series 2013 Debt Service Fund in such amount as shall be necessary to remedy any deficiency therein (taking into account any amounts available therefor in the Surplus Fund and the Replacement Fund). Whenever the amount in the Series 2013 Debt Service Reserve Fund, together with the amount in the Series 2013 Debt Service Fund, is sufficient to pay in full all outstanding Series 2013 Bonds in accordance with their terms, the funds on deposit in the Series 2013 Debt Service Reserve Fund shall be transferred to the Series 2013 Debt Service Fund and shall be available to pay all outstanding Series 2013 Bonds in accordance with their terms. If the balance of the Series 2013 Debt Service Reserve Fund is greater than the Series 2013 Debt Service Reserve Fund Requirement, all amounts in the Series 2013 Debt Service Reserve Fund in excess of the Series 2013 Debt Service Reserve Fund Requirement shall be transferred to the Interest Account of the Series 2013 Debt Service Fund. In no event shall moneys in the Series 2013 Debt Service Reserve Fund be used to make payments of principal or interest on the Series 2004B Bonds and in no event shall the moneys in the Series 2004 Debt Service Reserve Fund be used to make payments of principal and interest on the Series 2013 Bonds.

Section 4.8 Surplus Fund. The Surplus Fund will continue to be maintained with the Trustee. Upon satisfaction of certain performance covenants contained in the Indenture, funds on deposit in the Surplus Fund at the end of any Fiscal Year will be transferred to the University. Until such transfer, moneys in the Surplus Fund will be available to be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Section 4.9 Investments. Moneys contained in the funds and accounts held by the Trustee under Section 4.1 of this Supplemental Indenture shall be continuously invested and reinvested by the Trustee at the direction of the Corporation in Permitted Investments, to the extent practicable, that shall mature (or be readily convertible to cash) not later than the respective dates, as estimated by the Corporation, when the moneys in said Funds and Accounts shall be required for the purposes intended, and:

(i) No such investment shall be required to be made unless the cash at the time available therefor is at least equal to \$1,000;

(ii) The Trustee shall be authorized, to the extent necessary to enable the Trustee to discharge or perform its obligations hereunder, at any one or more times to sell any part or all of the investments whenever it may, for any reason or purpose whatsoever, deem any such sale to be desirable;

(iii) Any income derived from and any profit or loss on any such investment of moneys on deposit in any such fund or account shall be credited or debited, as the case may be, to the respective fund or account in which earned;

(iv) No Permitted Investments in any fund or account may mature beyond the latest maturity date of any Series 2013 Bonds outstanding at the time such Permitted Investments are deposited. For the purposes of this section, the maturity date of repurchase agreements for obligations is the maturity date of such repurchase agreements and not the maturity date of the underlying obligation; and

(b) An Authorized Corporation Representative shall give to the Trustee directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Article and Article V of the Loan Agreement, and the Trustee shall then invest such money under this Section as so directed. The Trustee shall in no event have any liability for any loss resulting from the investment of moneys in accordance with the directions of the Authorized Corporation Representative. The Trustee shall furnish the Authority annually with a written copy and the Corporation with a written copy for the Board, on at least a monthly basis, of the types, amounts, yield and maturities of all such investments.

(c) All cash investments shall be valued by the Trustee as frequently as deemed necessary by the Trustee, but not less often than annually, at the market value thereof. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date.

Section 4.10 Depository of Moneys and Security for Deposits. All of the funds and accounts established hereunder (except for the Series 2013 Rebate Fund) shall be special trust accounts held by the Trustee in trust for the benefit of the owners of the Series 2013 Bonds and shall not be subject to lien or attachment by any creditors of the Trustee, the Authority, the Corporation, or the Board. Uninvested sums in these funds and accounts shall be continually secured as are deposits of uninvested sinking funds of political subdivisions of the State or in the manner prescribed by Federal law for securing any Federal trust funds as may be prescribed from time to time by the Comptroller of the Currency.

Section 4.11 Arbitrage. Notwithstanding all the provisions hereof, the Authority or the Corporation shall not direct the investment of moneys in the various funds and accounts created hereunder in a manner that would result in the loss of exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes or in such manner which would result in the Series 2013 Bonds becoming “arbitrage bonds” within the meaning of Section 148 of the Code.

Section 4.12 Amounts Remaining in Funds; Releases. It is agreed by the parties hereto that any amounts remaining in the Funds and Accounts existing pursuant to this Supplemental Indenture upon the expiration or sooner cancellation or termination of the Loan Agreement, as provided therein, after payment in full of all Series 2013 Bonds then outstanding under this Supplemental Indenture (or provisions for the payment thereof having been made in accordance with Article XII of this Supplemental Indenture), and the fees, charges

and expenses of the Authority and the Trustee and all other amounts required to be paid under the Loan Agreement and under this Supplemental Indenture, other than amounts payable as arbitrage rebate under Section 148(f) of the Code, shall belong to and be paid to the Board.

Section 4.13 Application of Moneys in the Series 2013 Debt Service Reserve Fund.

(a) The Series 2013 Debt Service Reserve Fund shall be funded on the date of delivery of the Series 2013 Bonds in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement.

(b) The Trustee shall transfer money from the Series 2013 Debt Service Reserve Fund to the Interest Account and the Principal Account of the Series 2013 Debt Service Fund to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, whenever and to the extent that the money on deposit in said accounts (together with any amounts available therefor in the Surplus Fund and the Replacement Fund) is insufficient for such purposes.

(c) If the money held in the Series 2013 Debt Service Reserve Fund, including interest earnings, exceeds the Series 2013 Debt Service Reserve Fund Requirement an amount equal to such excess shall be transferred by the Trustee to the Interest Account of the Series 2013 Debt Service Fund. The Trustee shall not be required to liquidate any investment before its maturity to make such transfer. Whenever the amount on deposit in the Series 2013 Debt Service Reserve Fund is less than the Series 2013 Debt Service Reserve Fund Requirement, the Trustee shall notify the Authority and the Corporation of the amount of such deficiency and such deficiency will be remedied, as provided in Section 4.6(h) hereof. Upon notification the Corporation shall deliver to the Trustee an amount sufficient to cure the deficiency in accordance herewith and the Agreement.

(d) The Authority may, at the direction of the Corporation, as advised by the Board, at any time, deposit with the Trustee, to replace cash in the Series 2013 Debt Service Reserve Fund (in which case the replaced cash shall be paid to the University) or to meet the requirements herein that it deposit additional amounts in the Series 2013 Debt Service Reserve Fund, a Debt Service Reserve Fund Investment. Any bank issuing a letter of credit must have a rating on its unsecured debt, or on debt secured by its letters of credit and which ratings are based solely on the bank's letter of credit, of "AA-" or better by S&P and "Aa3" or better by Moody's. Any insurance company issuing a surety bond must have a claims-paying ability rating of "AAA" by S&P and "Aaa" by Moody's. If such Debt Service Reserve Fund Investment expires prior to fifteen (15) days after the final maturity of the Series 2013 Bonds, it must provide, that if not renewed within fifteen (15) days prior to its expiration date in an amount equal to the undrawn amount thereof (other than because of a reduction in the Series 2013 Debt Service Reserve Fund Requirement or the deposit of cash in the Series 2013 Debt Service Reserve Fund to replace it), the Trustee may draw the full amount of such Series 2013 Debt Service Reserve Fund Investment. The Trustee shall draw down the full amount of such Debt Service Reserve Fund Investment and deposit such amount in the Series 2013 Debt Service Reserve Fund fifteen (15) days prior to expiration of such Debt Service Reserve Fund Investment if it is not renewed as provided for in the preceding sentence. The Debt Service Reserve Fund Investment must be able to be drawn upon at any time that cash could be withdrawn from the Series 2013 Debt Service Reserve Fund. Prior to accepting any such Debt Service Reserve Fund Investment, the Trustee, the Corporation, the Board and the Authority must receive a Bond Counsel opinion that such acceptance and any payment of funds in the Debt Service Reserve Fund to the Corporation is authorized by this Indenture and will not adversely affect the exclusion of interest on the Series 2013 Bonds. If a Debt Service Reserve Fund Investment is deposited in the Series 2013 Debt Service Reserve Fund in lieu of cash, the cash amount contained in the Series 2013 Debt Service Reserve Fund shall be transferred to the Replacement Fund.

(e) If a disbursement is made under a surety bond deposited in the Series 2013 Debt Service Reserve Fund, the Corporation shall be obligated to either reinstate the maximum limits of such surety bond immediately following such disbursement in twelve (12) equal monthly installments or as required by the Authority of the Debt Service Reserve Fund Investment in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement or deposit into the Series 2013 Debt Service Reserve Fund funds in the amount of the disbursement made under the Debt Service Reserve Fund Investment, or a combination of such alternatives as shall equal the Series 2013 Debt Service Reserve Fund Requirement.

Section 4.14 Application of Insurance Proceeds; Condemnation Award.

(a) If all or any portion of the Facilities is damaged or destroyed by a Casualty (as defined in the Facilities Lease), or is taken by Expropriation (as defined in the Facilities Lease) proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. The proceeds of any insurance, including the proceeds of any self-insurance through ORM, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in a special account to be established upon receipt of any such funds and held by the Trustee in trust or in the case of self-insurance through ORM, as set forth in paragraph (b) below; and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation as advised by the Board stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee to the Corporation for the Board.

(b) In the event the University decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Trustee and applied to the redemption of the Bonds on a pro rata basis in accordance with the Indenture. The provisions of this Section 4.14(b) shall control over the provisions of the second paragraph of Section 4.22(a) of the Original Indenture.

(c) In the event that ORM insures the Facilities, the Board shall cause the Corporation to use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 4.15 Application of Money in the Replacement Fund.

(a) All moneys in the Replacement Fund shall be held for the benefit of the Board through the Corporation, are not pledged under this Indenture and may be drawn on and used by the Corporation or the Board to (i) replace any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, equipment, fixtures and other property owned by the Board or the Corporation and located on the Facilities and (ii) maintain the Facilities and to make all alterations, repairs, restorations and replacements to the Facilities as and when needed to preserve the Facilities in good working order, condition and repair, each as required by the Facilities Lease. Withdrawals from the Replacement Fund for the purposes set forth above shall be made by the Trustee upon its receipt of a requisition from the University or the Corporation substantially in the form attached hereto as Exhibit C to the Original Indenture. Moneys in the Replacement Fund may also be drawn by the Trustee and transferred to the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund if amounts on deposit therein, together with amounts available therefor in the Surplus Fund, are insufficient to pay debt service on the Series 2004B Bonds or the Series 2013 Bonds on any Interest Payment Date or Principal Payment Date.

(b) Any moneys remaining in the Replacement Fund immediately prior to the time all of the Series 2004B Bonds and Series 2013 Bonds are paid, or provision for their payment is made in accordance with Article XII hereof shall, at the option of the University, be used, together with amounts held in the Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund, to pay in full all outstanding Series 2004B Bonds and Series 2013 Bonds in accordance with their terms or shall be paid to the University.

Section 4.16 Application of Money in the Surplus Fund.

(a) Funds on deposit in the Surplus Fund at the end of any Fiscal Year may be transferred to the University on the date described below if (i) the Debt Service Coverage Ratio for the Facilities was 1.10:1.00 or greater for such Fiscal Year as evidenced by the audited financial statements for such Fiscal Year and (ii) neither the Corporation or the Board are in default under the financing documents on the date of transfer to the University. Upon receipt of the audited financial statements for such Fiscal Year, provided that the above described conditions have been met, then at the written instruction of the University Representative, the Trustee shall transfer all of the amounts in the Surplus Fund on the last day of the immediately preceding Fiscal Year to the University.

(b) To the extent that there are insufficient funds in the Receipts Fund to make any of the transfers to the various funds and accounts required under Section 4.6(a) through (j) hereof on the dates such transfers are required to be made, any amounts contained in the Surplus Fund shall be transferred to such funds and accounts, in the priority set forth in Section 4.6 hereof, to make up for such deficiency.

Section 4.17 Application of Moneys in the Series 2013 Rebate Fund. Moneys in the Series 2013 Rebate Fund shall be used to make any rebate payments required to be made to the United States under the Code. The Series 2013 Rebate Fund shall be held for the sole benefit of the United States of America and is not pledged under this Supplemental Indenture. Moneys required to be paid to the United States shall be deposited in the Series 2013 Rebate Fund by the Board as Base Rental under the Facilities Lease as required thereby and by this Supplemental Indenture.

ARTICLE V
ADDITIONAL BONDS

Section 5.1 Additional Bonds. Additional Bonds may be issued in accordance with the provisions of Article V of the Original Indenture.

ARTICLE VI
COSTS OF ISSUANCE

Section 6.1 Payment of Costs of Issuance from Series 2013 Bond Proceeds Fund. There shall be paid into the Series 2013 Costs of Issuance Account in the Series 2013 Bond Proceeds Fund the amounts required to be so paid from Series 2013 Bond proceeds pursuant to Section 4.2(b) of this Supplemental Indenture; and such amounts shall be applied to the payment of all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Series 2013 Bonds including, but not limited to, publication costs, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, the Authority or any other fiduciary, legal fees and charges, fees and disbursements of consultants and professionals and any other cost, charge or fee in connection with the original sale and issuance of the Series 2013 Bonds. Any additional costs of issuance shall be paid solely by the Corporation. The Trustee shall make payments from the Series 2013 Costs of Issuance Account upon receipt of statements from the parties entitled to be paid therefrom accompanied by a written request of the Authority directing the Trustee to pay such statements.

ARTICLE VII
ENFORCEMENT OF LOAN AGREEMENT AND FACILITIES LEASE

Section 7.1 Assignment of Loan Agreement and Facilities Lease. The Authority has assigned all of its right, title and interest in, to and under the Loan Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), including the interest of the Authority in and to the Ground Lease and the Facilities Lease assigned by the Corporation to the Authority thereunder (except for payments of Additional Rentals made under the Facilities Lease), to the Trustee as security for the Series 2013 Bonds and hereby agrees that the Loan Agreement and the Facilities Lease may be enforced by the Trustee and/or the owners of the Bonds in accordance with the terms of the Facilities Lease and the Indenture. Notwithstanding such assignment, the Authority agrees to cause the Corporation to comply with the terms contained in the Loan Agreement and the Facilities Lease and the rights of the Bondholders and the Trustee shall be governed by the provisions of the Indenture, the Loan Agreement and the Facilities Lease.

Section 7.2 Trustee or Bondholders to Enforce Loan Agreement, Facilities Lease and Mortgage. The Trustee may, and upon request of the Series 2004 Bond Insurer or a majority in aggregate principal amount of the Bonds then outstanding shall, subject to the provisions of Section 8.11 and Article IX hereof, strictly and promptly enforce the provisions of the Loan Agreement, the Facilities Lease and Mortgage so long as any of the Bonds remain outstanding under the Indenture. All rights of action (including the right to file proof of claims) to enforce the Loan Agreement, the Facilities Lease and Mortgage under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee for the Bondholders without the necessity of joining as plaintiffs or defendants any of the Bondholders.

ARTICLE VIII
EVENTS OF DEFAULT; REMEDIES

Section 8.1 No Extension of Time for Payment of Principal, Premium or Interest. The Trustee shall not be authorized to extend the time for any payment of principal, premium or interest without the prior written consent of or authorization by the owner of the Series 2013 Bonds so affected.

Section 8.2 Events of Default.

(a) Each of the following events is hereby declared to be an additional “*Event of Default*” under Section 8.2 of the Original Indenture:

(i) The payment of any installment of interest on any of the Series 2013 Bonds shall not be made when the same shall become due and payable;

(ii) The payment of the principal of or premium, if any, on any of the Series 2013 Bonds shall not be made when the same shall become due and payable, whether at maturity or by proceedings for redemption or by acceleration or otherwise;

(iii) An “Event of Default” under Article IX of the Loan Agreement shall have occurred and shall not have been cured within the applicable cure period;

(iv) A default shall occur under Section 21 of the Facilities Lease;

(v) If by action or inaction of the Authority, the Board or the Corporation the interest on the Series 2013 Bonds shall become includable in gross income for Federal income tax purposes; or

(vi) Default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Series 2013 Bonds or in this Supplemental Indenture on the part of the Authority to be performed, if such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority, the Board and the Corporation by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the owners of not less than a majority in principal amount of the Series 2013 Bonds then outstanding. Such default shall not become an Event of Default if said default be of the nature that (A) it cannot be corrected within the thirty (30) day period after receipt of notice, but the Authority (or the Corporation pursuant to the provisions of Section 8.14 of this Supplemental Indenture) promptly shall institute and diligently pursue corrective action until such default is cured and (B) the Trustee shall determine that such default is not curable but such default does not affect the validity or enforceability of the Series 2013 Bonds, this Supplemental Indenture or the Loan Agreement, an event of nonperformance shall not have occurred under the Loan Agreement (other than as a result of the cross-default provisions), and such default does not impair the security or the obligations provided for or under the Bonds, the Indenture or the Loan Agreement.

(b) The word “default” as used herein means failure of performance when due, exclusive of any period of grace, if any, allowed to correct any such failure.

Section 8.3 Remedies. Upon the occurrence of an Event of Default, the Authority, the Trustee and, subject to Sections 8.10 and 8.11, the Bondholders shall have all the rights and remedies as may be allowed by law, the Indenture, or pursuant to the provisions of the Loan Agreement and/or the Facilities Lease by virtue of

their assignment hereunder, including but not limited to, acceleration of the maturity of all Bonds, or suit at law or in equity to enforce or enjoin the action or inaction of parties under the provisions of the Indenture, the Loan Agreement or the Facilities Lease.

Section 8.4 Acceleration; Annulment of Acceleration.

(a) Upon the occurrence of an Event of Default described in Section 8.2 of the Indenture, the Trustee may, and upon the written request of the Series 2004 Bond Insurer or the owners of a majority in aggregate principal amount of the Bonds shall, by notice in writing to the Authority, the Board and the Corporation, declare the Bonds then outstanding immediately due and payable, and such Bonds shall become and be immediately due and payable, anything in such Bonds or in the Loan Agreement or the Indenture to the contrary notwithstanding, and, subject to Article IX, the Trustee may exercise any remedies granted to it therein. In such event, there shall be due and payable on the Bonds an amount equal to the principal amount of all the Bonds then outstanding plus all interest accrued thereon and which will accrue thereon to the date of payment; and

(b) At any time after the principal of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Indenture, the Loan Agreement or the Facilities Lease, the Trustee may annul such declaration and its consequences with respect to the Bonds if (i) moneys shall have been deposited in the Series 2013 Debt Service Fund and the Series 2004 Debt Service Fund sufficient to pay all matured installments of principal (other than principal due solely because of acceleration) and interest; (ii) moneys shall be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Authority and the Trustee; (iii) all other amounts then payable by the Authority or the Corporation under the Indenture or the Loan Agreement shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every Event of Default known to the Authority or the Trustee (other than a default in the payment of the principal of the Bonds due only because of such declaration) shall have been remedied to the satisfaction of the Authority and the Trustee. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 8.5 Insufficiency in the Series 2013 Debt Service Fund; Application of Moneys.

(a) Anything in this Supplemental Indenture to the contrary notwithstanding, if at any time the moneys in the Series 2013 Debt Service Fund shall not be sufficient to pay the interest on, premium, if any, or the principal of the Series 2013 Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities), such moneys, together with any other moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall, subject to the provisions of Sections 9.2 and 9.4 hereof, be applied as follows:

(i) Unless the principal of all the Series 2013 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST, to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay any particular installment, then to the payment thereof, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2013 Bonds; then

SECOND, to the payment to the persons entitled thereto of the unpaid principal of any of the Series 2013 Bonds which shall have become due and payable (other than Series 2013 Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Supplemental Indenture) in the order of their due dates, with interest on the principal amount of such Series 2013 due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the Series 2013 Bonds and their interest thereon, then to the payment thereof ratably, according to the amount of the interest due on such date, and next to the payment of the principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference; and then

THIRD, to the payment of the interest on and the principal of the Series 2013, to the purchase and retirement of Series 2013 Bonds and to the redemption of Series 2013 Bonds, all in accordance with the provisions of this Supplemental Indenture.

(ii) If the principal of all the Series 2013 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Series 2013 Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Series 2013 Bond over any other Series 2013 Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference; and

(iii) If the principal of all the Series 2013 Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled, then, subject to the provisions of Section 8.4(b) above, in the event that the principal of all the Series 2013 Bonds shall later become or be declared due and payable, then all such moneys shall be applied in accordance with the provisions of Section 8.4(a) above.

(b) Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for application in the future; the deposit of such money or otherwise setting aside such money in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Supplemental Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the owner of any Series 2013 Bond until such Series 2013 Bond shall be surrendered to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.6 Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

Section 8.7 Reserved.

Section 8.8 Remedies Not Exclusive. No remedy by the terms of the Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or existing at law or in equity on or after the date of adoption of the Indenture.

Section 8.9 Remedies Vested in Trustee. All rights of action under the Indenture, the Loan Agreement or under any of the Bonds may be enforced by the Trustee without possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any owners of the Bonds.

Section 8.10 Reserved.

Section 8.11 Individual Bondholder Action Restricted.

(a) No owner of any Series 2013 Bond shall have any right to institute any suit, action or proceeding for the enforcement of this Supplemental Indenture or for the execution of any trust hereunder or for any remedy under this Supplemental Indenture unless an Event of Default has occurred (other than under Sections 8.2(a)(i) or 8.2(a)(ii)) of the Original Indenture as to which the Trustee has actual notice, or as to which the Trustee has been notified in writing; and

(b) No one or more owners of Series 2013 Bonds shall have any right in any manner whatsoever to disturb or prejudice the security of this Supplemental Indenture or to enforce any right hereunder except in the manner herein provided and then only for the equal benefit of the owners of all outstanding Series 2013 Bonds.

Section 8.12 Waiver and Non-Waiver of Event of Default. No delay or omission of the Trustee or of any owner of Bonds to exercise any right or power accruing upon any Event of Default shall impair the right or power or shall be construed to be a waiver of an Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and to the owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 8.13 Notice of Defaults.

(a) Within 30 days after the receipt of notice of an Event of Default or the occurrence of an Event of Default of which the Trustee is deemed to have notice, the Trustee shall (unless the Event of Default has already been cured) give written notice of the Event of Default to the owners of all Series 2013 Bonds then outstanding in the manner provided in Section 13.8 of this Supplemental Indenture, provided that, except in the case of a default in the payment of principal, redemption price, or interest on any of the Series 2013 Bonds, the Trustee may withhold the notice to the Bondholders if, in its sole judgment, it determines that the withholding of notice is not detrimental to the best interest of the Bondholders.

(b) The Trustee shall immediately notify, in writing, the Authority, the Board, the Series 2004 Bond Insurer and the Corporation of any Event of Default known to the Trustee.

Section 8.14 Opportunity of Corporation to Cure Certain Defaults. The Authority and the Trustee hereby grant the Corporation full authority on the account of the Board and/or the Authority to perform any covenant or obligation and to otherwise fulfill any condition the failure or non-performance of which is or is alleged to be a default under Section 8.2(a)(vi) of this Supplemental Indenture, and the Trustee agrees that performance by the Corporation shall be deemed to be performance by the Board and/or the Authority.

ARTICLE IX CONCERNING THE TRUSTEE

Section 9.1 Acceptance of Trusts. The Trustee hereby represents and warrants to the Authority (for the benefit of the Board, the Corporation and the Bondholders as well as the Authority) that it is a bank and trust company duly organized and existing under the laws of the State of Louisiana and that it is duly authorized under such laws to accept and execute trusts of the character herein set out. The Trustee accepts and agrees to execute the trusts imposed upon it by this Supplemental Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Supplemental Indenture including the following express terms and conditions, to all of which the parties hereto and the respective Owners of the Series 2013 Bonds agree:

(a) Except during the continuance of an Event of Default within the purview of Section 8.2, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Supplemental Indenture, and the Trustee shall not be responsible for (x) the legality or enforceability of this Supplemental Indenture (except with respect to performance of its obligations hereunder), the Loan Agreement (except with respect to performance of its obligations hereunder), the Facilities Lease (except with respect to performance of its obligations hereunder), the Tax Regulatory Agreement (except with respect to performance of its obligations thereunder), and any supplement thereto, the Series 2013 Bonds (except as to the authentication of the Series 2013 Bonds), or any instruments or documents related thereto (collectively, the “*Transaction Documents*”) or (y) the legality, perfection, sufficiency or priority of the Trust Estate or any lien purported to be granted thereon under any of the aforesaid documents or otherwise. No implied covenants or obligations shall be read into this Supplemental Indenture against the Trustee.

(b) No provision of this Supplemental Indenture shall be construed to relieve the Trustee from liability for its negligence or willful misconduct, except that:

(i) in the absence of bad faith on the part of the Trustee, the Trustee may rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected fully from liability in relying or acting upon, any resolution, opinion of counsel, certificate, request, notice, consent, waiver, order, signature guaranty, notarial seal, stamp, acknowledgment, verification, appraisal, report or other paper or document believed by the Trustee to be genuine and to have been signed, affixed or presented by the proper party or parties; but in the case of any such certificates or opinions that by any provision hereby are specifically required to be furnished to the Trustee, as the case may be, the Trustee shall be under a duty to examine the same to determine whether or not they conform to requirements of this Supplemental Indenture;

(ii) in the absence of bad faith on the part of the Trustee, whenever the Trustee, or any of its agents, representatives, experts or counsel, shall consider it necessary or desirable that any matter be proved or established, such matter shall be deemed to be conclusively proved and established by a certificate executed by an Authorized Authority Representative or an Authorized Corporation Representative; provided, however, that the Trustee, or such agent, representative, expert or counsel may require, but is not obligated to

require, such further and additional evidence and make such further investigation as it or they may consider reasonable;

(iii) the Trustee may consult with counsel and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance with such advice or opinion of counsel;

(iv) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith and in accordance with any direction or request of the Bondholders;

(v) the Trustee shall not be liable for any error of judgment made in good faith by an officer or employee of the Trustee unless the Trustee is negligent in ascertaining the pertinent facts;

(vi) the Trustee shall not be deemed to have knowledge of any Event of Default, except for the failure of the Corporation to make or cause to be made scheduled payments to the Trustee provided for in the Loan Agreement, unless and until an officer of the Trustee who customarily handles corporate trusts and is assigned to supervise this Supplemental Indenture shall have actual knowledge thereof or the Trustee shall have received written advice thereof from any Bondholder;

(vii) anything in any of the Transaction Documents to the contrary notwithstanding, whether or not an Event of Default shall have occurred, the Trustee shall not be under any obligation to take any action under this Supplemental Indenture that may involve it in any expense or liability, the payment of which within a reasonable time is not, in its opinion, assured to it by the security afforded to it by the terms of this Supplemental Indenture, unless it is requested in writing to do so by one or more owners of the Series 2013 Bonds outstanding hereunder and furnished, from time to time as it may require, with security and indemnity satisfactory to it;

(viii) the Trustee need not take any action or follow any direction from any one or more Bondholders if the Trustee shall be advised by counsel that the action or proceedings so directed may not lawfully be taken or would be prejudicial to Bondholders not parties to such direction, or the Trustee in good faith believes following such direction would involve the Trustee in personal liability;

(ix) in no event shall the Trustee be liable to any person for special, indirect, punitive, exemplary or consequential damages, lost profits or loss of business arising under or in connection with this Supplemental Indenture, even if previously informed of the possibility of such damages and regardless of the form of action; and

(x) anything to the contrary in the Transaction Documents notwithstanding, the permissive right of the Trustee to do anything enumerated or set forth in any of the Transaction Documents shall not be construed as a duty, and the Trustee shall not be held responsible or liable for other than its negligence or willful misconduct.

(c) In case an Event of Default within the purview of Section 8.2 hereof has occurred and is continuing and the Trustee has or is deemed to have knowledge of the Event of Default pursuant to (b)(vi) above, subject to the provisions of this Article IX, the Trustee shall exercise such of the rights and powers vested in it by this Supplemental Indenture and use the degree of care and skill in their exercise as a prudent man would exercise under the circumstances.

(d) Whether or not therein expressly so provided, every provision of this Supplemental Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee, including without limitation Sections 9.3 and 9.4 hereof, shall be subject to the provisions of this Section 9.1. The Trustee also accepts, and agrees to do and perform, the duties and obligations imposed upon it by and under the Loan Agreement, and the Facilities Lease, but only upon the terms and conditions set forth in the Loan Agreement, the Facilities Lease, and this Supplemental Indenture. The rights of the Trustee to do things enumerated in this Supplemental Indenture shall not be construed as a duty.

Section 9.2 Trustee Entitled to Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Supplemental Indenture or under the Loan Agreement, or to enter any appearance in or in any way defend against any suit, in which it may be made a defendant (except in the case of the Trustee's own negligence), or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder or under the Loan Agreement or the Facilities Lease, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Authority shall reimburse the Trustee from funds available therefor under the Loan Agreement for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Authority shall fail to make reimbursement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Supplemental Indenture and shall be entitled to a preference over any of the Series 2013 Bonds.

Section 9.3 Trustee Not Responsible for Insurance, Taxes, Execution of Supplemental Indenture, Acts of the Authority or Application of Moneys Applied in Accordance with this Supplemental Indenture.

(a) The Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Board or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall have no responsibility in respect of the validity, sufficiency, due execution or acknowledgment of this Supplemental Indenture or the validity or sufficiency of the security provided hereunder or in respect of the validity of the Series 2013 Bonds or the due execution or issuance thereof, except as to the authentication thereof.

(b) The Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

(c) The Trustee shall not be liable or responsible because of the failure of the Authority or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Authority or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other depository in which such moneys shall have been deposited under the provisions of this Supplemental Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Series 2013 Bonds or any other moneys deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Supplemental Indenture.

(d) The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 9.4 Compensation. The Trustee shall be entitled to reasonable compensation for its ordinary services hereunder consistent with the results of the process by which the Trustee was selected and any extraordinary services rendered hereunder and to reimbursement for all expenses incurred in good faith hereunder, including the compensation, expenses and disbursements of such agents, representatives, experts and counsel as the Trustee may employ in connection with the exercise and performance of its powers and duties hereunder. Subject to the provisions of any contract relating to the compensation of the Trustee, the Authority shall cause the Board to pay to the Trustee as administrative expenses its reasonable fees and charges as Additional Rent in accordance with the Facilities Lease upon the written request of the Trustee and provided the Authority shall be furnished with sufficient funds to pay all costs and expenses (including attorneys' fees) reasonably incurred by the Authority in connection therewith as such costs and expenses accrue. If the Board shall fail to make any payment required by this Section, the Trustee may, but shall be under no obligation to, make such payment from any moneys in its possession under the provisions of this Supplemental Indenture, and the Trustee shall be entitled to a preference therefor over any of the Series 2013 Bonds Outstanding hereunder.

Section 9.5 Trustee to Preserve Records. All records and files pertaining to the Corporation in the custody of the Trustee shall be open at all reasonable times to the inspection of the Authority, the Board, the Corporation and their agents and representatives.

Section 9.6 Trustee May be Bondholder. The Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in any of the Series 2013 Bonds issued under and secured by this Supplemental Indenture, and may join in the capacity of a Bondholder in any action which any Bondholder may be entitled to take with like effect as if such institution were not the Trustee under this Supplemental Indenture.

Section 9.7 Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the Series 2013 Bonds shall be taken and construed as made by and on the part of the Authority and not by the Trustee, and the Trustee shall not be under any responsibility for the correctness of the same.

Section 9.8 Trustee Responsible for Reinscription. The Trustee, as set forth in the Loan Agreement, is required to reinscribe the Loan Agreement and the Mortgage at such times as shall be necessary to preserve the lien thereof. Under the Loan Agreement, the Corporation has covenanted to cooperate with the Trustee with regard to the foregoing.

Section 9.9 Trustee May Rely on Certificates. Subject to the provisions of Section 9.1(b), the Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Supplemental Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Loan Agreement or this Supplemental Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert believed by it to be qualified in relation to the subject matter, and the Trustee shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

ARTICLE X
RESERVED

ARTICLE XI
COVENANTS OF AUTHORITY

Section 11.1 Payment of Principal, Premium and Interest. The Authority covenants that it will promptly pay, or cause to be paid, the principal of, premium, if any, and the interest on every Series 2013 Bond at the places, on the dates and in the manner provided herein and in said Series 2013 Bonds according to the true intent and meaning thereof but solely from the revenues of the Trust Estate and not from any other fund or source. The Authority further covenants that it will faithfully perform at all times all of its covenants, undertakings and agreements contained in this Supplemental Indenture, the Loan Agreement or in any Series 2013 Bond executed, authenticated and delivered hereunder or in any proceedings of the Authority pertaining thereto.

Section 11.2 Additional Security. The Authority covenants, whenever and so often as reasonably required to do so by the Trustee, promptly to execute and deliver or cause to be delivered all such other and further instruments, documents or assurances, and to promptly do or cause to be done all such other further things, as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the owners of the Series 2013 Bonds all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Supplemental Indenture.

Section 11.3 Cure Title Defects. The Authority covenants to promptly, upon the request of the Trustee, from time to time, take or cause to be taken such action as may be necessary or proper to remedy or cure any material defect in or cloud upon the title to the Trust Estate or any part thereof, whether now existing or hereafter developing, and to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Trustee and every owner of Series 2013 Bonds, solely from the Trust Estate, harmless from all loss, cost, damage and expense, including attorneys' fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceedings.

Section 11.4 Defend Against Actions. The Authority covenants to defend or cause to be defended every suit, action or proceeding at any time brought against the Trustee or any owner of Series 2013 Bonds upon any claim arising out of the receipt, application or disbursement of any of the revenues of the Trust Estate or involving the Authority's, the Trustee's or such Bondholders' rights under this Supplemental Indenture or the Loan Agreement and to indemnify and save harmless, solely from the Trust Estate, the Trustee and Bondholders against any and all liability claimed or asserted by any person whomsoever, arising out of such receipt, application or disbursement of any such revenues; provided, however, that the Trustee or any owner of Series 2013 Bonds at its or his election may appear in and defend against any such suit, action or proceeding; and notwithstanding any contrary provision hereof, this covenant shall continue and remain in full force and effect until all indebtedness, liabilities, obligations and other sums secured hereby have been fully paid and satisfied, and this Supplemental Indenture has been released of record and the lien hereof discharged.

Section 11.5 Non-Impairment of Security. The Authority covenants that so long as any of the Series 2013 Bonds issued pursuant to this Supplemental Indenture are outstanding and unpaid, the Authority will not voluntarily consent to any amendment to the Loan Agreement or otherwise take any action which will reduce the amount of moneys made available thereunder to the Trustee, or which will in any manner impair or adversely affect the rights of the Authority or the Trustee or the security provided by this Supplemental Indenture to the owners from time to time of the Series 2013 Bonds.

Section 11.6 Authority's Obligation Limited. Nothing in the Loan Agreement or this Supplemental Indenture is intended to require or obligate nor shall anything therein be interpreted to require or obligate the Authority for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Authority other than from the Trust Estate.

ARTICLE XII DEFEASANCE

Section 12.1 Payment.

(a) When all of the Series 2013 Bonds shall have been paid and discharged, and there shall have been paid all fees and charges of the Trustee due or to become due through the date on which the last of the Series 2013 Bonds is retired, then this Supplemental Indenture shall cease, terminate and become null and void, and thereupon the Trustee shall release this Supplemental Indenture including the cancellation and discharge of the lien hereof, and execute and deliver to the Authority such instruments in writing as shall be requisite to satisfy the lien hereof and, if necessary, to enter on the records such satisfaction and discharge and to re-convey to the Authority any property or interest therein or other rights hereby conveyed and such other instruments to evidence such release and discharge as may be reasonably required by the Authority, and the Trustee shall assign and deliver to the Authority any property at the time subject to the lien of this Supplemental Indenture which may then be in its possession, except amounts in any Fund otherwise required to be paid by this Supplemental Indenture and except such cash and investments as are held by the Trustee for the payment of interest and premium, if any, on and retirement of the Series 2013 Bonds.

(b) Notwithstanding the foregoing, the obligation of the Corporation to pay the fees and expenses of the Trustee in accordance with the terms of this Supplemental Indenture shall survive the defeasance of the Series 2013 Bonds, the discharge of this Supplemental Indenture and the termination of the Loan Agreement.

Section 12.2 Provision for Payment. Any Series 2013 Bonds shall be deemed to have been paid and discharged within the meaning of Section 12.1, if the Trustee, or an escrow trustee, shall hold, in trust for and irrevocably committed thereto, moneys or Defeasance Obligations of such maturities and interest payment dates and bearing such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (likewise to be held in trust and committed, except as hereinafter provided), be sufficient for the payment of such Series 2013 Bonds, at their maturity or redemption date, of the principal thereof, together with the redemption premium, if any, and interest accrued to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date then to the date of the tender of such payment; provided, that if any Series 2013 Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provisions satisfactory to the Trustee shall have been duly made for the giving of such notice. Any moneys held in accordance with the provisions of this Section shall be invested only in Defeasance Obligations the maturities or redemption dates and interest payment dates of which, at the option of the owner, shall coincide as nearly as practicable with, but not later than, the time or times at which said moneys will be required for the aforesaid purposes. Any income or interest earned by the Defeasance Obligations held under this Section shall, as determined by the Trustee or the escrow trustee, to the extent not required for the purposes of this Section, be paid to the Corporation for the Board as overpayment of Payments.

Section 12.3 Certifications. The Authority and the Corporation covenant and agree that they will furnish to the Trustee:

(a) Certificates or opinions made by officers of the Authority and the Corporation required by this Supplemental Indenture stating that provisions of this Article relating to the satisfaction and discharge of this Supplemental Indenture have been fulfilled; and

(b) An opinion of Bond Counsel to the effect that the payment of the Series 2013 Bonds has been provided for in the manner set forth in this Supplemental Indenture and the Loan Agreement and that all obligations of the Authority and the Corporation with respect to the Series 2013 Bonds have been discharged and satisfied; and

(c) In the case of an advance refunding, a mathematical verification prepared by a nationally recognized law firm or firm of independent certified public accountants (or other verification agent satisfactory to the Trustee) that the Defeasance Obligations are sufficient to pay the principal of, premium, if any, and interest on the Series 2013 Bonds which are defeased.

ARTICLE XIII MISCELLANEOUS

Section 13.1 Covenants of Authority Binds its Successors. In the event of the dissolution of the Authority, all of the covenants, stipulations, obligations and agreements contained in this Supplemental Indenture by or on behalf of or for the benefit of the Authority shall bind or inure to the benefit of the successor or successors of the Authority from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word “Authority” as used in this Supplemental Indenture shall include such successor or successors.

Section 13.2 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Supplemental Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, the Corporation, the Board and any Bondholder and their agents and their representatives, any of whom may make copies thereof.

Section 13.3 Parties Interest Herein. Nothing in this Supplemental Indenture expressed or implied, is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Authority, the Trustee, the Corporation and the Bondholders, any right, remedy or claim or by reason of this Supplemental Indenture or any covenant, agreement, condition or stipulation therein.

Section 13.4 No Recourse on the Series 2013 Bonds. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Series 2013 Bonds or for any claim based thereunder or under this Supplemental Indenture against any trustee, director, officer, employee or agent of the Authority or of the Trustee.

Section 13.5 Severability. If any clause, provision or Section of this Supplemental Indenture be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Supplemental Indenture shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Supplemental Indenture be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Authority, the Corporation, or the Board, as the case may be, only to the extent permitted by law.

Section 13.6 Consents and Approvals. Whenever the written consent or approval of the Authority, the Trustee, the Corporation or the Board shall be required under the provisions of this Supplemental Indenture, such consent or approval shall not be unreasonably withheld or delayed.

Section 13.7 Notices. All notices, demands and requests to be given or made hereunder to or by the Authority, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

If to the Authority: Louisiana Local Government Environmental Facilities and
Community Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809
Attention: Executive Director

If to the Corporation: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Chairman

If to the Trustee: The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

If to the Board: Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance
With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

If to the Series 2004
Bond Insurer MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

(b) Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The above addresses may be changed at any time upon written notice of such change sent by United States mail, postage prepaid, to the other parties by the party effecting the change.

Section 13.8 Notices to Bondholders. Any notices or other communications required or permitted to be given to the Bondholders pursuant to this Supplemental Indenture shall be mailed by first class mail in a sealed envelope, postage prepaid, addressed to each such Bondholder as his address last appears on the Bond Register. In case, by reason of the suspension of or irregularities in regular mail service, it shall be impractical to mail notice to the Bondholders of any event when such notice is required to be given pursuant to any provision of this Supplemental Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of such notice. Any notice herein required may be omitted if the owners of all the Series 2013 Bonds entitled to such notice give to the Trustee a written waiver of such notice.

Section 13.9 Applicable Law. This Supplemental Indenture shall be governed exclusively by the applicable laws of the State.

Section 13.10 Captions. The table of contents, captions and headings of the several articles and sections of this Supplemental Indenture are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Supplemental Indenture.

Section 13.11 Supplemental Indenture to Constitute a Contract. This Supplemental Indenture, upon execution by the Authority and the Trustee shall constitute a third party beneficiary contract between the Authority and the Trustee for the benefit of the owners of all Series 2013 Bonds issued hereunder.

Section 13.12 Performance on Legal Holidays. In any case where the date of maturity of interest on or principal of the Series 2013 Bonds or the date fixed for redemption or purchase of any Series 2013 Bonds or the date fixed for the giving of notice or the taking of any action under this Supplemental Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the giving of such notice or the taking of such action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

Section 13.13 Continuing Disclosure Certificates. The Board and State have undertaken to comply with continuing disclosure requirements, and the Authority shall have no liability to the holders of the Series 2013 Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Supplemental Indenture, failure of the Board or the State to comply with the terms of its respective Continuing Disclosure Certificate shall not be considered an Event of Default hereunder; however, the Trustee may (and, at the request of the Underwriter (as defined in the Continuing Disclosure Certificate) or the holders of at least a majority in aggregate principal amount of Outstanding Series 2013 Bonds shall), upon being provided indemnity satisfactory to the Trustee, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Board and/or the State to comply with its respective obligations under this Section 13.13. The Trustee shall have no responsibility for the failure of the Board or the State to report any material event and shall have no responsibility as to any determination by the Board or the State of whether any event would constitute material information for holders of the Series 2013 Bonds; provided, however, that the Trustee hereby agrees to notify the Board in writing on or before November 1 of each year, commencing November 1, 2014, of the Board's obligation to comply with the requirements of Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12.

Section 13.14 Amendments to Original Indenture. Except as specifically stated in this Supplemental Indenture, the provisions hereof are supplemental to the Original Indenture and shall not be deemed to amend or replace any provisions of the Original Indenture.

The Original Indenture is hereby amended as follows:

- (a) The following is added as a new definition to Section 1.1:

“Refunding Bonds” shall mean Additional Bonds issued pursuant to Section 5.2 hereof.

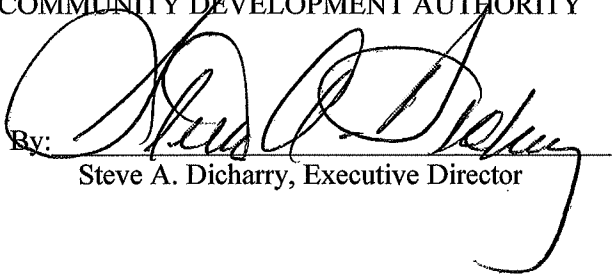
- (b) The following is added as a new Section 13.14 of the Original Indenture:

Section 13.14 Bond Insurer Rights. All rights of the Series 2004 Bond Insurer under the Indenture shall terminate at such time as no Series 2004B Bonds remain outstanding and there are no outstanding obligations due to the Series 2004 Bond Insurer under the Reimbursement Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority has caused this Supplemental Indenture to be executed by its Executive Director and has caused the seal of the Authority to be affixed hereto and attested by its Assistant Secretary and the Trustee has caused this Supplemental Indenture to be executed in its behalf by a Trust Officer, all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: 
Steve A. Dicharry, Executive Director

ATTEST:

By: 
Linda U. Martin, Assistant Secretary

[SEAL]

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

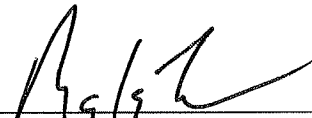
By: 
Watson T. Barger, Vice President

EXHIBIT A

FORM OF SERIES 2013 BOND

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

*UNITED STATES OF AMERICA
STATE OF LOUISIANA*

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 1 \$ _____

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|---------------|------------|------------------------|-------|
| _____ % | _____ | _____ | _____ | _____ |

REGISTERED OWNER: CEDE & CO.
TAX ID#13-2555119

PRINCIPAL AMOUNT: _____

The Louisiana Local Government Environmental Facilities and Community Development Authority (the “Authority”), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the “State”), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said

Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this Series 2013 Bond are payable in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts. The principal of this Series 2013 Bond shall be payable to the registered owner hereof or his assigns upon surrender hereof at the Corporate Trust Office of The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”). Interest on this Series 2013 Bond, when due and payable, shall be paid by check or draft mailed by the Trustee on the interest payment date to the person in whose name this Series 2013 Bond is registered, at the address as it appears on the Bond Register maintained by the Trustee at the close of business on January 15 or July 15, as the case may be next preceding such interest payment date, or if such day shall not be a Business Day, the next preceding Business Day (the “Record Date”) irrespective of any transfer or exchange of this Series 2013 Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall default in payment of interest due on such interest payment date, provided that an owner of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owner has requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of a default, such defaulted interest shall be payable on a payment date established by the Trustee to the person in whose name this Series 2013 Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owner of this Series 2013 Bond not fewer than fifteen (15) days preceding such special record date.

This Series 2013 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by a duly authorized representative of the Trustee.

This Series 2013 Bond is one of the duly authorized issue of the Authority’s Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”), issued under and secured by the Indenture (hereinafter defined) pursuant to which the Authority is issuing \$40,910,000 aggregate principal amount of said revenue bonds on behalf of University Facilities, Inc., a nonprofit corporation (the “*Corporation*”) for the purpose of: (i) refunding the Series 2004A Bonds (as hereinafter defined) and (ii) paying the costs of issuance of the Series 2013 Bonds.

Pursuant to the Original Indenture (as hereinafter defined), the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) for the purposes of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.

The proceeds of the Series 2013 Bonds have been loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the “*Original Loan Agreement*”), as supplemented and amended by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the “*Supplemental Loan Agreement*” and, together with the Original Loan Agreement, the “*Loan Agreement*”), each between the Authority and the Corporation, for the foregoing purposes. The Board of Supervisors for the

University of Louisiana System (the “*Board*”), acting on behalf of the University, has leased the land upon which the Facilities are located on the campus of the University (the “*Land*”) and the Facilities to the Corporation pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the “*Original Ground Lease*”), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the “*First Amendment to Ground Lease*”), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the “*Second Amendment to Ground Lease*”), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the “*Third Supplemental Ground Lease*” and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the “*Ground Lease*”) each by and between the Board and the Corporation, and has leased the Facilities from the Corporation pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the “*Original Facilities Lease*”), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the “*First Amendment to Facilities Lease*”), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the “*Second Amendment to Facilities Lease*”), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the “*Third Supplemental Facilities Lease*” and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the “*Facilities Lease*”) each by and between the Corporation and the Board.

The Series 2013 Bonds are issued pursuant to the laws of the State, particularly Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the “*LCDA Act*”), Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “*Refunding Act*” and, together with the LCDA Act, the “*Act*”) and pursuant to a Trust Indenture dated August 1, 2004 (the “*Original Indenture*”), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the “*Supplemental Indenture*” and, together with the Original Indenture, the “*Indenture*”), each between the Authority and the Trustee, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, and to which Indenture reference is hereby made for a more complete description of the assigned revenues constituting the Trust Estate, the nature and extent of the security, the terms and conditions under which the Series 2013 Bonds are issued and secured, the terms and conditions under which Additional Bonds may be issued and secured, the rights, duties and immunities of the Trustee and the rights of the registered owners of the Series 2013 Bonds. The registered owner of this Series 2013 Bond shall have no rights to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture, and by acceptance of this Series 2013 Bond, the owner hereof assents to all of the provisions of the Indenture and the Assignment (hereinafter defined). All terms not defined herein shall have the meanings assigned thereto in the Indenture.

The Series 2013 Bonds have been issued on a parity with the Series 2004B Bonds under the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds without coupons, in Authorized Denominations, and shall be numbered from No. R-1 upwards. The Series 2013 Bonds are limited and special revenue obligations of the Authority and are payable solely from (i) payments received by the Authority from the Corporation pursuant to the Agreement (except however, the Authority’s rights to exculpation, indemnification and payment of expenses by the Corporation under the Agreement) and (ii) all funds held by the Trustee under the Indenture and available for such payment, said payments and funds being herein referred to as the “*Trust Estate*.”

The Agreement, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, provides that the Corporation is unconditionally obligated to make payments, but solely from the

Payments (as defined in the Agreement) in an aggregate amount sufficient, for the payment in full of the principal and interest of all Series 2013 Bonds issued and outstanding under the Indenture, to the date of payment thereof, and certain costs, expenses and charges of the Authority and the Trustee. The Agreement imposes upon the Corporation certain obligations respecting the use and operation of its Facilities and the maintenance and repair of said Facilities.

THE SERIES 2013 BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE SERIES 2013 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THE INDENTURE. THE ISSUANCE OF THE SERIES 2013 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.

As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Bonds in Authorized Denominations.

For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

REDEMPTION PROVISIONS

Optional Redemption

The Series 2013 Bonds maturing August 1, 2024 and thereafter are subject to redemption prior to maturity at the option of the Corporation, upon written direction to the Authority, on or after August 1, 2023 as a whole at any time, or in part on any Interest Payment Date, the maturity of said Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

Mandatory Redemption

(i) If the Board shall purchase the Corporation's leasehold interest in the Facilities pursuant to the Facilities Lease, the Series 2013 Bonds shall be redeemed as a whole and shall be redeemed on the later of (a) August 1, 2014, or (b) the earliest practicable date, but not more than sixty (60) days, after such purchase, and in any event, at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2013 Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Series 2013 Bonds is not an Authorized Denomination, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subsection (b) shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order: first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, the Series 2013 Bonds.

Mandatory Sinking Fund Redemption.

The Series 2013 Bonds maturing on August 1, 2026 shall be subject to mandatory redemption and payment prior to maturity on August 1 in each of the years set forth below, at 100% of the principal amounts plus accrued interest to the redemption date, without premium, as follows:

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
| 2025 | \$ 4,295,000 |
| 2026* | 170,000 |

*Final Maturity

If on any occasion less than all of the Series 2013 Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in the Indenture, then the principal amount of the Series 2013 Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above tables. The principal amounts required by the tables above shall be adjusted downward in the amount of principal redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional redemption.

Unless otherwise specified above, if less than all of the Series 2013 Bonds shall be called for redemption, the maturity of the Series 2013 Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

At least thirty (30) days before the redemption date of any Series 2013 Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2013 Bonds then outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

Modifications or alterations of the Indenture or any agreement supplemental thereto or of the Agreement or any agreement supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement. So long as no event of nonperformance under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2013 Bond, do exist, have happened and have been performed in regular and due form as required by law.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Louisiana Local Government Environmental Facilities and Community Development Authority has caused this Series 2013 Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal or a facsimile thereof to be hereto affixed or printed, and attested by the manual or facsimile signature of its Secretary-Treasurer on _____, 20__.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY

[S E A L]

By _____
Executive Director

Attest:

Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This Series 2013 Bond is one of the Series 2013 Bonds described in the within mentioned Indenture.

Date of Authentication:

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

_____, 20__

By: _____
Authorized Trust Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification
or Social Security Number of Assignee)

the within Series 2013 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the Series 2013 within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by: _____

NOTICE: Signature must be guaranteed by a
Participant in the Securities Transfer Agent
Medallion Program.

NOTICE: The signature to this assignment must
correspond with the name as it appears on the face
of the within Series 2013 Bond in every particular,
without alteration, enlargement or any change
whatever.

TRANSFER FEE MAY BE REQUIRED

LEGAL OPINION CERTIFICATE

I, the undersigned Chairman of the Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that attached hereto are true copies of the complete legal opinion of Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, the originals of which were manually executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue described therein and were delivered to the original purchaser thereof. I further certify that executed copies of the above-referenced legal opinions are on file in my office and that executed copies thereof have been furnished to the Trustee for these Series 2013 Bonds.

By: _____
Executive Director

EXECUTION COPY**TRUST INDENTURE**

by and between

**Louisiana Local Government Environmental Facilities and
Community Development Authority**

and

**The Bank of New York Trust Company, N.A.
(as Trustee)**

Dated as of August 1, 2004

in connection with:

\$60,985,000

**Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A**

\$15,000,000

**Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B**

\$925,000

**Louisiana Local Government Environmental Facilities and
Community Development Authority
Taxable Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004C**

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

| | | |
|-------------|-----------------------------|----|
| Section 1.1 | Definitions..... | 4 |
| Section 1.2 | Rules of Construction | 21 |

ARTICLE II

GRANTING CLAUSES

| | | |
|-------------|-----------------------|----|
| Section 2.1 | Granting Clauses..... | 22 |
|-------------|-----------------------|----|

ARTICLE III

AUTHORIZATION, TERMS AND CONDITIONS OF BONDS

| | | |
|--------------|--|----|
| Section 3.1 | Bonds Issuable Under this Article Only | 25 |
| Section 3.2 | Authorization of Bonds; Dates, Maturities, Fixed Rate Conversion and Interest Rates for the Bonds..... | 25 |
| Section 3.3 | Form of Bonds | 27 |
| Section 3.4 | Redemption of Bonds | 28 |
| Section 3.5 | Execution; Limitation of Liability | 32 |
| Section 3.6 | Authentication..... | 33 |
| Section 3.7 | Mutilated, Lost, Stolen or Destroyed Bonds..... | 33 |
| Section 3.8 | Registration of Bonds | 33 |
| Section 3.9 | Persons Treated as Owners | 34 |
| Section 3.10 | Exchange and Transfer of Bonds..... | 34 |
| Section 3.11 | Cancellation and Destruction of Surrendered Bonds..... | 34 |
| Section 3.12 | Delivery of the Series 2004 Bonds | 34 |
| Section 3.13 | Book-Entry Registration of Bonds..... | 35 |

| | | |
|--------------|--|----|
| Section 3.14 | Auction Rate: Auction Period-General..... | 37 |
| Section 3.15 | Auction Procedure | 39 |
| Section 3.16 | Application of Interest Payments for Auction Rate Bonds..... | 47 |
| Section 3.17 | Calculation of Maximum Auction Rate..... | 47 |
| Section 3.18 | Change of Auction Period by Issuer | 48 |
| Section 3.19 | Change of Auction Date by Market Agent | 48 |
| Section 3.20 | Auction Agent..... | 49 |
| Section 3.21 | Conversion to Fixed Rate..... | 50 |
| Section 3.22 | Conversion to Variable Rate..... | 50 |

ARTICLE IV

FUNDS AND ACCOUNTS; FLOW OF FUNDS;
INVESTMENTS; DEPOSITS; ARBITRAGE;
PAYMENTS ON BOND INSURANCE POLICIES

| | | |
|--------------|---|----|
| Section 4.1 | Creation and Use of Funds and Accounts..... | 52 |
| Section 4.2 | Bond Proceeds Fund | 52 |
| Section 4.3 | Debt Service Fund..... | 53 |
| Section 4.4 | Project Fund | 54 |
| Section 4.5 | Debt Service Reserve Fund..... | 54 |
| Section 4.6 | Replacement Fund | 54 |
| Section 4.7 | Rebate Fund | 54 |
| Section 4.8 | Receipts Fund..... | 55 |
| Section 4.9 | Capitalized Interest Fund | 57 |
| Section 4.10 | Surplus Fund | 57 |
| Section 4.11 | Refunding Fund | 57 |
| Section 4.12 | Investments | 57 |
| Section 4.13 | Depository of Moneys and Security for Deposits..... | 58 |

| | | |
|--------------|---|----|
| Section 4.14 | Arbitrage | 59 |
| Section 4.15 | Payments From Project Fund..... | 59 |
| Section 4.16 | Costs of the Facilities..... | 59 |
| Section 4.17 | Requisitions from the Project Fund | 60 |
| Section 4.18 | Reliance upon Requisitions..... | 61 |
| Section 4.19 | Completion of the Facilities and Disposition of Project Fund Balance..... | 61 |
| Section 4.20 | Amounts Remaining in Funds; Releases | 61 |
| Section 4.21 | Application of Money in the Debt Service Reserve Fund | 62 |
| Section 4.22 | Application of Insurance Proceeds; Condemnation Award..... | 63 |
| Section 4.23 | Application of Money in Replacement Fund..... | 64 |
| Section 4.24 | Application of Moneys in the Rebate Fund | 64 |
| Section 4.25 | Application of Money in the Surplus Fund..... | 65 |
| Section 4.26 | Payments on Bond Insurance Policies | 65 |

ARTICLE V

ADDITIONAL BONDS

| | | |
|-------------|--|----|
| Section 5.1 | Additional Bonds | 68 |
| Section 5.2 | Refunding..... | 68 |
| Section 5.3 | Additional Bonds and Refunding Bonds | 68 |

ARTICLE VI

COSTS OF ISSUANCE

| | | |
|-------------|--|----|
| Section 6.1 | Payment of Costs of Issuance from Bond Proceeds Fund | 69 |
|-------------|--|----|

ARTICLE VII

ENFORCEMENT OF AGREEMENT AND FACILITIES LEASE

| | | |
|-------------|--|----|
| Section 7.1 | Assignment of Agreement and Facilities Lease..... | 70 |
| Section 7.2 | Trustee or Bondholders to Enforce Agreement and Facilities Lease | 70 |

ARTICLE VIII

EVENTS OF DEFAULT; REMEDIES

| | | |
|--------------|--|----|
| Section 8.1 | No Extension of Time for Payment of Principal, Premium or Interest | 71 |
| Section 8.2 | Events of Default | 71 |
| Section 8.3 | Remedies..... | 72 |
| Section 8.4 | Acceleration; Annulment of Acceleration | 72 |
| Section 8.5 | Insufficiency in the Debt Service Fund and the Debt Service Reserve Fund; Application of Moneys | 73 |
| Section 8.6 | Discontinuance of Proceedings..... | 74 |
| Section 8.7 | Appointment of Receiver | 74 |
| Section 8.8 | Remedies Not Exclusive..... | 74 |
| Section 8.9 | Remedies Vested in Trustee..... | 75 |
| Section 8.10 | Majority of Bondholders Control Proceedings..... | 75 |
| Section 8.11 | Individual Bondholder Action Restricted | 75 |
| Section 8.12 | Waiver and Non-Waiver of Event of Default | 76 |
| Section 8.13 | Notice of Defaults | 76 |
| Section 8.14 | Opportunity of Corporation to Cure Certain Defaults | 76 |

ARTICLE IX

CONCERNING THE TRUSTEE

| | | |
|-------------|---|----|
| Section 9.1 | Acceptance of Trusts..... | 77 |
| Section 9.2 | Trustee Entitled to Indemnity | 79 |
| Section 9.3 | Trustee Not Responsible for Insurance, Taxes, Execution of Indenture, Acts of the Issuer or Application of Moneys Applied in Accordance with this Indenture | 79 |
| Section 9.4 | Compensation | 80 |
| Section 9.5 | Trustee to Preserve Records..... | 80 |

| | | |
|--------------|--|----|
| Section 9.6 | Trustee May be Bondholder..... | 80 |
| Section 9.7 | Trustee Not Responsible for Recitals | 81 |
| Section 9.8 | Trustee Responsible for Reinscription and Continuation Statements..... | 81 |
| Section 9.9 | Trustee May Rely on Certificates | 81 |
| Section 9.10 | Qualification of the Trustee | 81 |
| Section 9.11 | Resignation and Removal of Trustee..... | 81 |
| Section 9.12 | Successor Trustee..... | 83 |
| Section 9.13 | Co-Trustee..... | 83 |
| Section 9.14 | Disclosure Documents | 84 |

ARTICLE X

SUPPLEMENTAL INDENTURES

| | | |
|--------------|---|----|
| Section 10.1 | Supplemental Indentures Not Requiring Consent of Bondholders..... | 85 |
| Section 10.2 | Supplemental Indentures Requiring Consent of Bondholders..... | 85 |
| Section 10.3 | Filing | 86 |
| Section 10.4 | Reliance on Counsel | 86 |
| Section 10.5 | Supplement Binding..... | 86 |
| Section 10.6 | Supplemental Agreement..... | 87 |
| Section 10.7 | Notice to Rating Agencies and Bond Insurer | 87 |

ARTICLE XI

COVENANTS OF ISSUER

| | | |
|--------------|--|----|
| Section 11.1 | Payment of Principal, Premium and Interest | 88 |
| Section 11.2 | Additional Security | 88 |
| Section 11.3 | Cure Title Defects..... | 88 |
| Section 11.4 | Defend Against Actions..... | 88 |
| Section 11.5 | Non-Impairment of Security..... | 88 |

| | | |
|--------------|--|----|
| Section 11.6 | Issuer's Obligation Limited..... | 89 |
| Section 11.7 | Immunity of Officers, Employees and Members of Issuer..... | 90 |
| Section 11.8 | Role of Issuer | 90 |
| Section 11.9 | No Additional Pledge..... | 90 |

ARTICLE XII

DEFEASANCE

| | | |
|--------------|----------------------------|----|
| Section 12.1 | Payment..... | 91 |
| Section 12.2 | Provision for Payment..... | 91 |
| Section 12.3 | Certifications..... | 92 |

ARTICLE XIII

MISCELLANEOUS

| | | |
|---------------|---|----|
| Section 13.1 | Covenants of Issuer Binds its Successors..... | 93 |
| Section 13.2 | Preservation and Inspection of Documents..... | 93 |
| Section 13.3 | Parties Interest Herein..... | 93 |
| Section 13.4 | No Recourse on the Bonds..... | 93 |
| Section 13.5 | Severability | 93 |
| Section 13.6 | Consents and Approvals | 93 |
| Section 13.7 | Notices | 93 |
| Section 13.8 | Notices to Bondholders..... | 94 |
| Section 13.9 | Applicable Law | 94 |
| Section 13.10 | Captions | 95 |
| Section 13.11 | Indenture to Constitute a Contract..... | 95 |
| Section 13.12 | Performance on Legal Holidays..... | 95 |
| Section 13.13 | Continuing Disclosure Agreement..... | 95 |

- EXHIBIT A-1 - FORM OF SERIES 2004A BOND**
- EXHIBIT A-2 - FORM OF SERIES 2004B BOND**
- EXHIBIT A-3 - FORM OF SERIES 2004C BOND**
- EXHIBIT B - FORM OF PROJECT FUND REQUISITION**
- EXHIBIT C - FORM OF REPLACEMENT FUND REQUISITION**
- EXHIBIT D - FORM OF BROKER-DEALER AGREEMENT**
- EXHIBIT E - FORM OF AUCTION AGENCY AGREEMENT**
- EXHIBIT F - FORM OF MARKET AGENT AGREEMENT**
- EXHIBIT G - FORM OF NOTICE TO HOLDERS OF
PROPOSED FIXED RATE CONVERSION**
- EXHIBIT H - FORM OF NOTICE OF PAYMENT DEFAULT**
- EXHIBIT I - FORM OF NOTICE OF CURE OF PAYMENT DEFAULT**
- EXHIBIT J - FORM OF NOTICE TO PROPOSED CHANGE IN [AUCTION PERIOD]
[AND] [STANDARD AUCTION PERIOD]**
- EXHIBIT K - FORM OF NOTICE OF CHANGE IN AUCTION DATE**
- EXHIBIT L - FORM OF VARIABLE RATE CONVERSION**
- EXHIBIT M - REQUIREMENTS FOR LIQUIDITY FACILITY AND LIQUIDITY
FACILITY PROVIDER**
- EXHIBIT N CAPITALIZED INTEREST FUND DISBURSEMENT SCHEDULE**

TRUST INDENTURE

This Trust Indenture dated as of August 1, 2004 (together with any amendments hereto, the "Indenture"), is between the **Louisiana Local Government Environmental Facilities and Community Development Authority**, a political subdivision of the State of Louisiana (the "Issuer"), and **The Bank of New York Trust Company, N.A.**, a national banking association having its principal corporate trust office in the City of Jacksonville, Florida and duly authorized to accept and execute trusts, as trustee (the "Trustee").

WITNESSETH :

WHEREAS, the Issuer is a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 to 4548.16, inclusive) (the "Act") and other constitutional and statutory authority; and

WHEREAS, the Act empowers the Issuer to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act; and

WHEREAS, the Board of Supervisors for the University of Louisiana System (the "Board") is a body corporate created pursuant to the provisions of Article VIII, §6(A) of the Constitution of the State of Louisiana of 1974 and authorized pursuant to La. R.S. 17:3217; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Issuer is authorized to issue revenue bonds and loan the funds derived from the sale thereof to the Corporation for the purpose of allowing the Corporation to pay the amount owed on the Prior Debt (as hereinafter defined) and finance the demolition of certain existing facilities and renovation, development and construction of additional student housing and related facilities, including all furnishings, fixtures and facilities incidental or necessary in connection therewith (the "Facilities") for University Facilities, Inc. (the "Corporation"), to be located on the campus of Southeastern Louisiana University (the "University") in Tangipahoa Parish, Hammond, Louisiana, and to be leased back to the Board acting on behalf of the University; and

WHEREAS, the Corporation is a nonprofit corporation organized and existing under the laws of the State of Louisiana (the "State") for the benefit of the University and is empowered to consummate the transactions contemplated hereunder and to do all acts and exercise all powers and assume all obligations necessary or incident thereto; and

WHEREAS, the Corporation has requested that the Issuer issue \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B

Bonds") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "Series 2004C Bonds", and together with the Series 2004A Bonds, the Series 2004B Bonds and any Additional Bonds, the "Bonds") the proceeds of the sale of such Bonds to be loaned to the Corporation pursuant to the Loan Agreement dated as of the date hereof (the "Agreement") for the purpose of (i) paying the Prior Debt, currently outstanding in the amount of \$14,590,000, (ii) demolishing certain existing facilities and renovating, developing and constructing the Facilities, (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to the Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds; and

WHEREAS, the Issuer is authorized under the provisions of the Act and other constitutional and statutory authority to issue the Bonds for such purposes and the Issuer has determined that it is most advantageous to the Issuer and necessary for it to issue its revenue bonds as hereinafter provided for such purposes; and

WHEREAS, pursuant to the Agreement, the Corporation will assign its rights under that certain Agreement to Lease with Option to Purchase (the "Facilities Lease") pursuant to which the Corporation, as Lessor, leases the Facilities to the Board, as Lessee, including its right to all Rental (as defined in the Facilities Lease) received thereunder, to the Issuer, and agrees to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds and to pay such other amounts as are required by the Agreement; and

WHEREAS, MBIA Insurance Corporation (the "Bond Insurer") will issue its financial guaranty insurance policies unconditionally and irrevocably guaranteeing the full and complete payment of the principal of and interest on the Bonds as such payments shall become due but shall be unpaid; and

WHEREAS, the fully registered Series 2004A Bonds, Series 2004B Bonds and Series 2004C Bonds and the certificate of authentication by the Trustee to be endorsed thereon with respect to the Series 2004A, Series 2004B and Series 2004C Bonds are to be in substantially the form attached as **Exhibits A-1, A-2 and A-3** hereto with all necessary and appropriate variations, omissions and insertions as permitted or required under this Indenture; and

WHEREAS, the Series 2004A Bonds and the Series 2004C Bonds will bear interest at a fixed rate to the maturity thereof and the Series 2004B Bonds will initially bear interest at the Auction Rate (as hereinafter defined), subject to conversion to a Fixed Rate or a Variable Rate (each as hereinafter defined) in accordance with the terms of this Indenture; and

WHEREAS, all acts, conditions and things required by the laws of the State to happen, exist and be performed precedent to and in the execution and delivery of this Indenture have happened, exist and have been performed as so required in order to make this Indenture a valid and binding agreement in accordance with its terms; and

WHEREAS, the execution and delivery of this Indenture have been duly authorized by the Issuer and the Trustee; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Indenture and the parties are now prepared to execute and deliver this Indenture;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Issuer and the Trustee hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 **Definitions.** All capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the preamble hereto or in the Agreement. In addition to words and terms elsewhere defined in this Indenture, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

"**Act**" means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended, (La. R.S. 33:4548.1 to 4548.16, inclusive), and all future acts supplemental thereto and amendatory thereof.

"**Additional Bonds**" means bonds, if any, issued in one or more series on a parity with the Series 2004 Bonds pursuant to Article V of this Indenture.

"**Additional Facilities**" means any additional student housing facilities owned or leased by the Board or the Corporation that have been incorporated with the Facilities into a single housing system pursuant to Section 3(i) of the Facilities Lease.

"**Additional Rental**" means the amounts specified as such in the Facilities Lease.

"**Agreement**" means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

"**All-Hold Rate**" on any date of determination, means eighty-five percent (85%) of The Bond Market Association Municipal Swap Index, provided, however, that in no event shall such All-Hold Rate exceed the Maximum Auction Rate.

"**Annual Debt Service**" means the amount required to pay all principal of and interest on a series of Bonds and any Additional Debt (as defined in the Facilities Lease), as applicable, in any Fiscal Year. For purposes of calculating the Annual Debt Service on a series of Bonds or Additional Debt the interest rate borne by which is not fixed to the maturity thereof on any date, for any period during which an interest swap or similar agreement shall be in effect whereunder the Corporation or the Board pays a fixed rate and the swap provider pays a floating rate that, in the judgment of the Authorized Corporation Representative (as evidenced by a certificate delivered to the Trustee) approximates the variable rate payable on such series of Bonds or Additional Debt, the interest rate on such series of Bonds or Additional Debt shall be deemed to be equal to the fixed rate payable by the Corporation or the Board under such interest swap or similar agreement and for any period during which such an agreement shall not be in effect the interest rate on such Bonds or Additional Debt shall be deemed to be the average interest rate borne by such series of Bonds or Additional Debt during the immediately preceding twelve (12) month period or, if such series of Bonds or Additional Debt has borne a floating rate for less than twelve (12) months, such series of Bonds or Additional Debt shall be treated as if it bears interest at the 25-year Revenue Bond Index as published by *The Bond Buyer* on the date of determination.

"Applicable Percentage" means, on any date of determination, the percentage determined based on the Rating Agencies' rating of the Bonds in effect at the close of business on the Business Day immediately preceding such date, as set forth below:

| <u>S&P and Fitch Credit Rating</u> | <u>Moody's Credit Rating</u> | <u>Applicable Percentage</u> |
|--|----------------------------------|------------------------------|
| "AAA" | "Aaa" | 175% |
| "AA" | "Aa" | 175% |
| "A" | "A" | 175% |
| "BBB" | "Baa" | 200% |
| Below "BBB" | Below "Baa" | 265% |

provided, that if the Bonds are not then rated by a Rating Agency, the Applicable Percentage shall be 265%. For purposes of this definition, the rating categories shown above refer to and include the respective rating categories correlative thereto if a Rating Agency shall have changed or modified its generic rating categories or does not rate or no longer rates the Bonds or has been replaced. If two or more Rating Agencies are then rating the Bonds, the lowest of the correlative rating categories of the Rating Agencies shall apply.

"Assignment of Agreements and Documents" means the Assignment of Agreements and Documents dated as of August 1, 2004, by the Corporation in favor of the Trustee.

"Auction" means each periodic implementation of the Auction Procedures.

"Auction Agency Agreement" means the Initial Auction Agency Agreement and any agreement substantially in the form of **Exhibit D** attached hereto entered into between the Issuer and a successor Auction Agent.

"Auction Agent" means The Bank of New York or another auction agent designated in accordance with the terms of this Indenture, and its successors or assigns.

"Auction Date" means initially the Thursday immediately succeeding the Closing Date and every Thursday thereafter (or such other day that the Market Agent shall establish as the Auction Date therefor); provided, that if such day is not a Business Day, the Auction Date shall be the preceding Business Day.

"Auction Period" means the Standard Auction Period or such other period established as provided by Section 3.14 hereof.

"Auction Procedures" means the procedures set forth in Section 3.15 hereof.

"Auction Rate" means, with respect to each Auction Period, the respective rate of interest per annum determined for the Auction Rate Bonds pursuant to the implementation of the Auction

Procedures or, if an Auction shall not be held or shall be cancelled hereunder, the rate determined pursuant to this Indenture.

"Auction Rate Adjustment Date" means the date of commencement of each Auction Period, being the first Business Day after each Auction Date.

"Auction Rate Bonds" means the Series 2004B Bonds bearing interest at the Auction Rate.

"Auction Rate Determination Date" means the Auction Date, or if no Auction Date is applicable, the Business Day immediately preceding the date of commencement of an Auction Period.

"Authorized Corporation Representative" means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"Authorized Denomination" with respect to all Series 2004 Bonds other than Auction Rate Bonds and Variable Rate Bonds, means \$5,000 or any integral multiple thereof; with respect to Auction Rate Bonds, means \$25,000 or any integral multiple thereof, and with respect to Variable Rate Bonds, means \$100,000 or any integral multiple of \$5,000 in excess thereof; however, upon receipt of an approving opinion of Bond Counsel, the Issuer may designate in writing to the Trustee other Authorized Denominations to be applicable to any Series 2004B Bonds Outstanding after a Variable Rate Conversion provided such designation is received by the Trustee on or before the date of such Variable Rate Conversion.

"Authorized Issuer Representative" means the person(s) at the time designated to act under the Agreement and this Indenture on behalf of the Issuer by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Issuer by the Chairman, Vice Chairman or Executive Director of the Issuer. Such certificate may designate an alternate or alternates.

"Available Auction Rate Bonds" shall have the meaning set forth in Section 3.15(c)(i)(A) hereof.

"Base Rental" means the amounts referred to as such in Section 6(b) of the Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms thereof) but does not include Additional Rental.

"Beneficial Owner" means, so long as a book-entry system of registration is in effect pursuant to Section 3.13 hereof, the actual purchaser of the Bonds.

"Bid" shall have the meaning set forth in Section 3.15(a)(i)(B) hereof.

"Bidder" shall have the meaning set forth in Section 3.15(a)(i)(B) hereof.

"Board" means the Board of Supervisors for the University of Louisiana System, formerly known as the Board of Trustees for State Colleges and Universities or its legal successor as the management board of the University, acting on behalf of the University.

"Board Representative" means the Person or Persons designated by the Board in writing to serve as the Board's representative(s) in exercising the Board's rights and performing the Board's obligations under this Indenture; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Assistant Vice President for Facilities Planning, or his or her designee, or any other representative designated by resolution of the Board, of whom the Issuer and the Trustee have been notified in writing.

"Bond Counsel Opinion" means an opinion of an attorney or firm of attorneys of recognized standing with respect to tax-exempt obligations of municipal, state and public agencies, selected by the Issuer.

"Bond Insurance Policies" means the financial guaranty insurance policies issued by the Bond Insurer that unconditionally and irrevocably guarantees the full and complete payment of the principal of and interest on the Bonds as such payments shall become due but shall be unpaid.

"Bond Insurer" means MBIA Insurance Corporation, or any successor thereto.

"Bond Proceeds Fund" means the fund of that name created under this Indenture.

"Bond Register" means, when used with respect to the Bonds, the registration books maintained by the Trustee pursuant to Section 3.8 of this Indenture.

"Bondholder" or **"owner,"** when used with reference to a Bond or Bonds, means the registered owner of any outstanding Bond or Bonds.

"Bond Year" means the twelve (12) month period beginning on August 2 of each calendar year and ending on August 1 of the immediately succeeding calendar year.

"Bonds" means, collectively, the Series 2004 Bonds and any Additional Bonds issued pursuant to a supplemental Indenture as authorized hereby.

"Broker-Dealer" means any broker or dealer (as defined in the Securities Exchange Act), commercial bank or other entity permitted by law to perform the functions required of a Broker-Dealer set forth in the Auction Procedures that is a DTC Participant (or an affiliate of a DTC Participant), has been selected by the Issuer, is acceptable to the Auction Agent and has entered into a Broker-Dealer Agreement substantially in the form of **Exhibit E** attached hereto that remains effective.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Jacksonville, Florida, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"Closing Date" means the date on which the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds are delivered and payment therefor is received by the Issuer.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"Corporation" means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

"Costs of Issuance" means all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale, and issuance of the Series 2004 Bonds including, but not limited to, publication costs, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, the Issuer, or any other fiduciary, legal fees and charges, fees and disbursements of consultants and professionals, and any other cost, charge, or fee in connection with the original sale and issuance of the Series 2004 Bonds, including the premiums payable for the Bond Insurance Policies.

"Costs of Issuance Account" means the account so designated which is established pursuant to this Indenture.

"Costs of the Facilities" means those costs incurred by the Corporation in connection with the demolition of certain existing facilities and the renovation, development and construction of the Facilities, as set forth in Section 4.16 of this Indenture.

"Debt Service Coverage Ratio for the Facilities" means, for any Fiscal Year, the ratio determined by the Vice President for Administration and Finance of the University by dividing the amount of Net Revenues of the Facilities for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Debt issued and proposed to be issued for such Fiscal Year; provided, however, that for the purpose of calculating the Debt Service Coverage Ratio pursuant to subsection (ii) of Section 3(i) of the Facilities Lease, to determine whether the Board may build, acquire or renovate any Additional Facilities, the numerator of the fraction representing the Debt Service Coverage Ratio shall be increased by the additional anticipated revenues, if any, to be derived from the Additional Facilities to be constructed with the proceeds resulting from the Additional Debt as certified by the Vice President for Administration and Finance of the University.

"Debt Service Fund" means the fund of that name created under this Indenture.

"Debt Service Reserve Fund" means the fund of that name created under this Indenture.

"Debt Service Reserve Fund Investment" means an irrevocable letter of credit issued by a bank or surety bond issued by an insurance company meeting the requirements of Section 4.21 hereof.

"Debt Service Reserve Fund Requirement," (i) with respect to the Series 2004A Bonds, the Series 2004B Bonds and any Additional Bonds that are Tax-Exempt Bonds, at the time of determination, means the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes; and (ii) with respect to all Bonds issued hereunder, means the sum of the Debt Service Reserve Fund Requirements for each series of Bonds Outstanding; provided, however, that the amount of principal due in any Bond Year shall be determined, in the case of Bonds subject to mandatory sinking fund redemption pursuant to this Indenture and similar provisions in any supplemental indenture, by the principal amount of Bonds to be redeemed by mandatory sinking fund redemption in such Bond Year.

"Defeasance Obligations" means noncallable direct obligations of the United States of America (including direct obligations of the United States of America which have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

"DTC" or "Securities Depository" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depositories appointed pursuant to this Indenture.

"Existing Holder" shall mean with respect to the Auction Agent, such Person who is a Broker-Dealer, and with respect to the Broker-Dealer's, such Person who is a beneficial owner of the Bonds.

"Expropriation" shall have the meaning set forth in the Facilities Lease.

"Facilities" means the student housing and related facilities described in **Exhibit A** to the Agreement, as amended and supplemented in accordance with the provisions of the Agreement, which are to be renovated and/or constructed in three (3) phases with the proceeds of the Bonds and Additional Bonds, and Southeastern Oaks and The Village.

"Facilities Lease" means that certain Agreement to Lease With Option to Purchase dated as of August 1, 2004 by and between the Board, as Lessee, and the Corporation, as Lessor, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

"Fitch" means Fitch, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and if such corporation shall for any reason no longer

perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency or service designated by the Issuer and approved by the Corporation and the Bond Insurer. Whenever rating categories of Fitch are specified in this Indenture, such categories shall be irrespective of gradations within a category.

"Fiscal Year" means any period of twelve consecutive months adopted by the Corporation as its fiscal year for financial reporting purposes, presently the period beginning on July 1 and ending on June 30 of the following year.

"Fixed Rate" means the rate of interest fixed to the maturity of the Series 2004B Bonds and not subject to adjustment.

"Fixed Rate Conversion" means a conversion of the interest rate born by the Auction Rate Bonds from the Auction Rate to the Fixed Rate.

"Fixed Rate Conversion Date" means date on which the Auction Rate Bonds begin to bear interest at a Fixed Rate.

"Ground Lease" means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004 by and between the Board, as Lessor on behalf of the University, and the Corporation, as Lessee whereby the Land upon which certain existing facilities that are to be demolished are located and upon which the Facilities shall be constructed and/or renovated and the Facilities, as completed, are leased by the Board to the Corporation.

"Hold Order" shall have the meaning set forth in Section 3.15(a)(i)(B) hereof.

"Indenture" means this Trust Indenture dated as of August 1, 2004 between the Issuer and the Trustee, as it may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions hereof.

"Initial Auction Agency Agreement" means the agreement dated as of August 1, 2004, by and among the Issuer, the Corporation, the Initial Auction Agent, and the Trustee.

"Initial Auction Agent" means The Bank of New York, together with any successors and assigns.

"Initial Auction Rate" means the rate of interest on the Auction Rate Bonds established for the Initial Period.

"Initial Period" means the period beginning on the Closing Date and ending on and including the Thursday immediately succeeding the Closing Date.

"Interest Account" means the Interest Account within the Debt Service Fund created pursuant to Article IV of this Indenture.

"Interest Accrual Period" means the Initial Period and thereafter while the Auction Rate Bonds bear interest at the Auction Rate, the period commencing on and including the first day of an Auction Period and ending on and including the last day of such Auction Period.

"Interest Payment Date" or **"interest payment date,"** when used with respect to the Series 2004A Bonds, the Series 2004B Bonds that bear interest at a Fixed Rate and the Series 2004C Bonds, means each February 1 and August 1, commencing February 1, 2005, when used with respect to Auction Rate Bonds, means the Business Day following each Auction Date, and with respect to Variable Rate Bonds, means the dates set forth in the supplemental indenture executed in connection with the applicable Variable Rate Conversion.

"Interest Rate" means the rate of interest on the Series 2004B Bonds determined in the manner provided in this Indenture.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon by the Issuer by said provisions shall be given by law.

"Land" means the real property and improvements thereon more particularly described on Exhibit A attached to the Ground Lease upon which certain existing facilities are to be demolished and upon which the Facilities are to be renovated, constructed and located.

"Lawfully Available Funds" means all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, including Rents.

"Liquidity Provider" means a bank or other institution that delivers a standby purchase agreement, letter of credit, or other form of liquidity support and that satisfies the conditions set forth in **Exhibit M** hereto.

"Management Agreement" means the Management Agreement dated as of July 1, 2004, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

"Management Company" means Capstone On-Campus Management LLC, an Alabama limited liability company authorized to do business in Louisiana, and its successor under any Management Agreement.

"Management Fee" means the fee owed to the Management Company of the Facilities pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

"Market Agent" means Morgan Keegan & Company, Inc. or another market agent or market agents designated in accordance with the terms of this Indenture, and its or their successors or assigns.

"Market Agent Agreement" means an agreement substantially in the form of **Exhibit F** attached hereto entered into between the Issuer and the Market Agent.

"Maximum Annual Debt Service," with respect to a series of Bonds issued hereunder, means the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or subject to mandatory sinking fund redemption.

"Maximum Auction Rate" means the lesser of:

- (i) the Applicable Percentage multiplied by The Bond Market Association Municipal Swap Index;
- (ii) 12% per annum; or
- (iii) the maximum rate permitted by applicable law.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency or service designated by the Issuer and approved by the Corporation and the Bond Insurer. Whenever rating categories of Moody's are specified in this Indenture, such categories shall be irrespective of gradations within a category.

"Mortgage" means the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August __, 2004 by the Corporation in favor of the Trustee, mortgaging the Corporation's leasehold interest in and to the Land and the Facilities.

"Nonpayment Rate" means a rate equal to the Maximum Auction Rate.

"Notice of Variable Rate Conversion" means a notice from the Issuer delivered to the Trustee, the Auction Agent, the Broker-Dealer, and the Securities Depository at least thirty-five (35) but not more than forty-five (45) days prior to a proposed Variable Rate Conversion Date to the effect that the Issuer has determined to change the interest rate mode for some or all Series 2004B Bonds to a Variable Rate.

"Notice of Fixed Rate Conversion" means a notice from the Issuer delivered to the Trustee, the Bond Insurer, the Auction Agent, each Broker-Dealer, and the Securities Depository at least thirty (30) days prior to a proposed Fixed Rate Conversion Date to the effect that the Issuer has determined to change the interest rate mode for the Auction Rate Bonds to a Fixed Rate and has established a Fixed Rate Conversion Date.

"Operating Fund Surplus" means the amount, if any, by which the amounts paid by the Trustee for deposit into the Operating Fund in a Fiscal Year pursuant to Section 4.8(b) hereof exceed the amounts paid, incurred, or accrued in respect of Operating Expenses of the Facilities during such Fiscal Year, such amount to be determined with reference to, and simultaneously

with the delivery of, the annual reports delivered to the Trustee in accordance with the provisions of Section 6.8 of the Loan Agreement, as such amount may be adjusted in accordance with the provisions of Section 4.8(b) hereof.

"Operating Expenses" means the current expenses of operation, maintenance and current repair of the Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker's compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Issuer (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. "Operating Expenses" will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Facilities; or (4) amortization of financing costs.

"Order" shall have the meaning set forth in Section 3.15(a)(i)(B) hereof.

"Outstanding" or **"outstanding,"** when used with reference to Bonds, means all Bonds which have been authenticated and issued under this Indenture except:

- (a) Bonds canceled by the Trustee pursuant to this Indenture;
- (b) Bonds for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of this Indenture;
- (c) Bonds which have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in this Indenture;
- (d) Bonds in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in this Indenture; and
- (e) for all purposes regarding consents and approvals or directions of Bondholders under the Agreement or this Indenture, Bonds held by or for the Issuer, the Corporation or any person controlling, controlled by or under common control with either of them.

"ORM" means the Office of Risk Management of the State.

"Participant" means any broker-dealer, bank and other financial institution from time to time for which DTC holds Bonds as securities depository.

"Payment Default" means a default by the Issuer in the due and punctual payment of any installment of interest on any of the Outstanding Bonds or (ii) a default by the Issuer in the due and punctual payment of the principal or premium, if any, of any of the Outstanding Bonds at their maturity or upon mandatory sinking fund redemption; which in any case, is followed by the failure of the Bond Insurer to honor a properly submitted claim for such amounts in accordance with the Bond Insurance Policy.

"Payments" means the amounts of repayments under the Agreement with respect to the Bonds to be made by the Corporation as provided in Article IV of the Agreement.

"Permitted Investments" means any of the following securities to the extent permitted under State law:

(i) The following obligations to be used as Permitted Investments for all purposes, including defeasance investments in refunding escrow accounts:

- (a) Cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in item (ii)(b)(2) below, or
- (b) Direct obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury) the United States of America. In the event these securities are used for defeasance, they shall be non-callable and non-prepayable.

(ii) The following obligations to be used as Permitted Investment for all purposes other than defeasance investments in refunding escrow accounts:

- (a) Obligations of any of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America:
 - (1) U.S. Export-Import Bank (Eximbank),
 - (2) Farm Credit System Financial Assistance Corporation,
 - (3) Rural Economic Community Development Administration,
 - (4) General Services Administration,
 - (5) U.S. Maritime Administration,
 - (6) Small Business Administration,
 - (7) Government National Mortgage Association (GNMA),
 - (8) Department of Housing & Urban Development (PHAs),
 - (9) Federal Housing Administration, and
 - (10) Federal Financing Bank;

- (b) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:
- (1) Senior debt obligations rated in the highest long-term rating category by at least two (2) nationally recognized rating agencies issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC),
 - (2) Senior debt obligations of the Federal Home Loan Bank System, and
 - (3) Senior debt obligations of other Government Sponsored Agencies approved by the Bond Insurer;
- (c) U.S. dollar denominated deposit accounts, federal funds and bankers acceptances with domestic commercial banks that either (1) have a rating on their short-term certificates of deposit on the date of purchase in the highest short-term rating category of at least two (2) nationally recognized rating agencies, (2) are insured at all times by the Federal Deposit Insurance Corporation, or (3) are collateralized with direct obligations of the United States of America at one hundred two percent (102%) valued daily. All such certificates must mature no more than three hundred sixty (360) days after the date of purchase. (Ratings on holding companies are not considered as the rating of the commercial bank);
- (d) Commercial paper that is rated at the time of purchase in the highest short-term rating category of at least two (2) nationally recognized rating agencies and that mature not more than two hundred seventy (270) days after the date of purchase;
- (e) Investments in (1) money market funds subject to SEC Rule 2A-7 and rated in the highest short-term rating category of at least two (2) nationally recognized rating agencies and (2) public sector investment pools operated pursuant to SEC Rule 2a-7 in which the Issuer's deposit is permitted or directed by the laws of the State and in which Issuer's deposit shall not exceed five percent (5%) of the aggregate pool balance at any time and such pool is rated in one of the two (2) highest short-term rating categories of at least two (2) nationally recognized rating agencies;
- (f) Pre-refunded municipal obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality, or local governmental unit of any such state that are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

- (1) that are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of at least two (2) nationally recognized rating agencies,
 - (2) that are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the United States of America, which escrow (A) may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this item (2) on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;
- (g) General obligations of states with a short-term rating in one (1) of the two (2) highest rating categories and a long-term rating in one (1) of the two (2) highest rating categories of at least two (2) nationally recognized rating agencies. In the event such obligations are variable rate obligations, the interest rate on such obligations must be reset not less frequently than annually;
- (h) Investment agreements approved in writing by the Bond Insurer; and
- (i) Other forms of investments (including repurchase agreements) approved in writing by the Bond Insurer.

"Potential Holder" means any person, including any Existing Holder, who may be interested in acquiring Auction Rate Bonds (or, in the case of an Existing Holder thereof, an additional principal amount of Auction Rate Bonds).

"Principal Account" means the Principal Account within the Debt Service Fund created pursuant to Article IV of this Indenture.

"Principal Payment Date" when used with respect to the Bonds means each August 1, commencing August 1, 2006.

"Prior Debt" means the amount borrowed by the Corporation pursuant to two Loan Agreements each dated as of June 1, 2000 as part of the Louisiana Public Facilities Authority Equipment and Capital Facilities Pooled Loan Program Revenue Bonds, Series 2000 of which \$14,590,000 is currently outstanding.

"Prior Trustee" means Hancock Bank of Louisiana, Baton Rouge, Louisiana, as trustee for the Prior Debt.

"Project Fund" means the fund of that name created under this Indenture.

"Rating Agency," at any point in time, means any nationally recognized securities rating agency or service then rating the Bonds (collectively, the "Rating Agencies").

"Rebate Amount" means any amounts required to be paid to the Rebate Fund pursuant to the Tax Regulatory Agreement.

"Rebate Fund" means the fund of that name created under this Indenture.

"Receipts Fund" means the fund of that name created under this Indenture.

"Record Date," with respect to all Series 2004 Bonds other than Auction Rate Bonds and Variable Rate Bonds, means the fifteenth (15th) day of the month preceding each Interest Payment Date; with respect to Auction Rate Bonds, means the Business Day immediately preceding each Interest Payment Date; and with respect to Variable Rate Bonds, means the fifth (5th) day preceding each Interest Payment Date.

"Reimbursement Agreement" means the Reimbursement and Indemnity Agreement dated as of August 1, 2004, between the Corporation and the Bond Insurer.

"Remarketing Agent" means the entity designated by the Issuer as remarketing agent under a Remarketing Agreement, or any successor to it as such remarketing agent. The initial Remarketing Agent is Morgan Keegan & Company, Inc.

"Remarketing Agreement" means an agreement between the Authority and a Remarketing Agent, providing for the remarketing of any Bonds in accordance with the terms of this Indenture.

"Rental" means and includes the Base Rental and Additional Rental.

"Rents" means all revenues actually received from any source by, or on behalf of the Board or the University with respect to the Facilities and the Additional Facilities, including without duplication, all collected rents and other charges for the use or occupancy of the Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants' security deposits unless and until applied in satisfaction of tenants' obligations as provided for in the Management Agreement.

"Replacement Fund" means the fund of that name created under this Indenture.

"Replacement Fund Requirement" means, \$4,064,825 increased annually, beginning August 1, 2007, by an amount equal to \$100,000 with such amount increased each year

beginning August 1, 2008, at a rate of 3% annually, or such lesser annual amount as is permitted by the Board of Regents and approved by the Bond Insurer.

"State" means the State of Louisiana.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and if such corporation shall for any reason no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency or service designated by the Issuer and approved by the Corporation and the Bond Insurer. Whenever rating categories of S&P are specified in this Bond Indenture, such categories shall be irrespective of gradations within a category.

"Sell Order" shall have the meaning set forth in Section 3.15(a)(i) hereof.

"Series 2004 Bonds" means, collectively, the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds.

"Series 2004A Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, authorized to be issued by the Issuer in the aggregate principal amount of \$60,985,000, including such Series 2004A Bonds issued in exchange for other such Series 2004A Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004A Bonds pursuant to this Indenture.

"Series 2004B Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B, initially bearing interest at the Auction Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$15,000,000, including such Series 2004B Bonds issued in exchange for other such Series 2004B Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004B Bonds pursuant to this Indenture.

"Series 2004C Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C, authorized to be issued by the Issuer in the aggregate principal amount of \$925,000, including such Series 2004C Bonds issued in exchange for other such Series 2004C Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004C Bonds pursuant to this Indenture.

"Standard Auction Period" means an Auction Period of seven (7) days, following the Initial Period or such other Standard Auction Period, beginning on the day after an Auction Date and ending on the next Auction Date, or such other Standard Auction Period authorized by Section 3.14 hereof.

"Submission Deadline" means 1:00 p.m. (New York City time) on any Auction Date or such other time on any Auction Date by which Broker-Dealers are required to submit Orders to the Auction Agent as specified by the Auction Agent from time to time.

"Submitted Bid" shall have the meaning set forth in Section 3.15(c)(i) hereof.

"Submitted Hold Order" shall have the meaning set forth in Section 3.15(c)(i) hereof.

"Submitted Order" shall have the meaning set forth in Section 3.15(c)(i) hereof.

"Submitted Sell-Order" shall have the meaning set forth in Section 3.15(c)(i) hereof.

"Sufficient Clearing Bids" shall have the meaning for which such term is used in Section 3.15(c)(i) hereof.

"Tax Regulatory Agreement" means the Tax Regulatory Agreement and Arbitrage Certificate dated August 13, 2004 by and among the Issuer, the Corporation, the Board and the Trustee.

"Tax-Exempt Bonds" means Bonds the interest on which is not includable in gross income of the beneficial owners thereof for federal income tax purposes.

"Tender Agent" means any tender agent designated by the Issuer or any successor thereto under any substitute Tender Agent Agreement. The initial Tender Agent shall be The Bank of New York Trust Company, N.A.

"The Bond Market Association Municipal Swap Index" means on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by The Bond Market Association, its successor and assigns, or any person acting in cooperation with or under its sponsorship and acceptable to the Market Agent, and effective from such date.

"Trust Estate" means all the property assigned by the Issuer to the Trustee pursuant to this Indenture as security for the Bonds.

"Trustee" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of this Indenture, initially The Bank of New York Trust Company, N.A.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

"University Representative" means the Person or Persons designated by the University in writing to serve as the University's representative hereunder; the University Representative shall be the Vice President for Administration and Finance of the University, or any other

representative designated by the President of the University, of whom the Issuer and the Trustee have been notified in writing.

"Value," with respect to Permitted Investments, means (i) as to investments, the bid and asked prices of which are published on a regular basis in *The Wall Street Journal* (or, if not there, then in *The New York Times*): the average of the bid and asked prices for such investment so published on or most recently prior to such time of determination; (ii) as to investments the bid and asked prices of which are not published on a regular basis in *The Wall Street Journal* or *The New York Times*: the average bid price at such time of determination for such investment by any two (2) nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service; (iii) with respect to certificates of deposit and bankers' acceptances, means the face amount thereof, plus accrued interest; (iv) with respect to guaranteed investment contracts that permit the Corporation to withdraw amounts invested thereunder at any time without penalty for which repayment obligation the other party thereto has pledged collateral acceptable to the Bond Insurer, the amount available to be withdrawn therefrom; and (v) with respect to any investment not specified above, means the value thereof established by prior agreement among the Bond Insurer, the Trustee, and the Corporation.

"Variable Rate" with respect to Variable Rate Bonds means the rate of interest (adjusted weekly) borne thereby in a particular Variable Rate Period, as determined by the Remarketing Agent.

"Variable Rate Announcement Date" means the first (1st) day of a Variable Rate Determination Period and each subsequent Thursday during a Variable Rate Period, or if such Thursday is not a Business Day, the immediately preceding Business Day on which the Remarketing Agent will determine the interest rate for the immediately succeeding Variable Rate Determination Period.

"Variable Rate Bonds" means any principal amount of Series 2004B Bonds bearing interest at the Variable Rate.

"Variable Rate Conversion" means a conversion of the interest rate born by the Auction Rate Bonds from the Auction Rate to the Variable Rate.

"Variable Rate Determination Period" with respect to Variable Rate Bonds, means the period commencing on the Variable Rate Effective Date and continuing to and including the calendar day preceding the immediately succeeding Variable Rate Effective Date.

"Variable Rate Effective Date" means the Thursday immediately succeeding a Variable Rate Announcement Date.

"Variable Rate Period" means, with respect to any principal amount of the Series 2004B Bonds, the period during which such Series 2004B Bonds bear interest at a Variable Rate.

"Winning Bid Rate" shall have the meaning set forth in Section 3.15(c)(i) hereof.

Section 1.2 **Rules of Construction.** Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

Unless the context shall otherwise indicate, the word "person" shall include the plural as well as the singular number, and "person" shall mean any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

Provisions calling for the redemption of Bonds or the calling of Bonds for redemption do not mean or include the payment of Bonds at their stated maturity or maturities.

All references in this Indenture to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this Indenture. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

ARTICLE II

GRANTING CLAUSES

Section 2.1 **Granting Clauses**. In consideration of the acceptance by the Trustee of the trusts and duties set forth in this Indenture on behalf of the owners of all Bonds issued and secured hereunder; of the purchase and acceptance of the Bonds issued and secured by this Indenture by the owners thereof; of the payment of the purchase price of the Bonds to the Trustee for application as provided hereinafter; and in order to secure the payment of any and all Bonds at any time outstanding hereunder, and of the issuance of the Bond Insurance Policies according to the tenor and effect thereof and the premium and interest thereon, the payment of all costs, fees and charges specified herein, and the payment of all other sums if any, from time to time due to the owners of all Bonds secured hereunder and to the Trustee or its successors and assigns, or to others, according to the intent and meaning of all such Bonds and this Indenture, up to a maximum amount of \$150,000,000, and for the purpose of securing the performance and observance by the Issuer of all the covenants and conditions herein contained, the Issuer does hereby TRANSFER, ASSIGN AND DELIVER TO AND IN FAVOR OF the Trustee, and its successor or successors in trust, for the benefit of the owners of all Bonds secured hereunder, its interest in the following described properties, rights, interests and benefits which are collectively called the "Trust Estate":

All right, title and interest of the Issuer in, to and under the Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), all payments, proceeds, revenues, income, receipts, issues, benefits and other moneys received or derived by the Issuer under the Agreement including, without limitation, the Payments to be paid by the Corporation to the Trustee for the account of the Issuer pursuant to Section 4.2 of the Agreement;

Any right, title and interest of the Issuer in, to and under the Facilities Lease and any leases (other than the Facilities Lease), subleases and use agreements or other similar agreements relating to the Facilities (including any and all extensions, renewals, amendments, modifications and supplements thereof or thereto), all Rents and other revenues received by the Corporation under the Management Contract and assigned by the Corporation to the Issuer under the Agreement, all rents, issues, receipts and profits derived from the use or occupancy of the Facilities, all proceeds of insurance (including rental interruption insurance, if any) received or receivable by the Corporation, on behalf of the Board, as a result of any damage to or destruction of the Facilities, or any part thereof, under the power of eminent domain and all amounts received or receivable by the Corporation, on behalf of the Board, as compensation for the transfer of the Facilities, or any part thereof, in lieu of a taking or use of the Facilities, under the powers of eminent domain, but only to the extent that such proceeds, award or compensation is not used for the restoration, repair or reconstruction of the Facilities to which such proceeds, award or compensation is attributable, all amounts received or receivable by the Corporation, on behalf of the Board, from the sale of the Facilities, or any part thereof, all amounts collected under payment and performance bonds, if any, maintained with respect to the Facilities, and any and all additional revenues, income, receipts and other payments (including, without limitation,

grants, donations, gifts and appropriations received from any private or public source) which hereafter are received by the Corporation, on behalf of the Board, for or relating to the Facilities or which hereafter may be assigned by the Corporation pursuant to the Agreement;

All cash, moneys, securities and investments which may at any time and from time to time, pursuant to the provisions of this Indenture, be paid to the Trustee or be in the hands of the Trustee, except for moneys in the Rebate Fund and except as the interest of said Trustee in such cash, moneys, securities and investments may otherwise appear in this Indenture, provided, however, that nothing in this Indenture shall be construed to affect any property held by the Trustee in any capacity other than as Trustee hereunder; and

To the extent not covered by the clauses above, all proceeds of any and all of the foregoing.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successor or successors and assigns forever; in trust, nevertheless subject to the terms and conditions and trusts herein set forth, for the equal benefit, security and protection of all and singular the present and future owners of all of the Bonds issued under and secured by this Indenture, without preference, priority or distinction as to lien or otherwise, except as may otherwise be provided herein, of any one Bond over any other Bond or of principal over interest or interest over principal, and the Bond Insurer, all as herein provided, and for the uses and purposes, and upon the terms, agreements and conditions set forth herein.

The Trust Estate assigned hereunder is also assigned to secure the payment of any and all sums which the Trustee may expend or become obligated to expend (including but not limited to court costs and attorneys' fees) to preserve and protect any of the Trust Estate or to cure any default of the Corporation under the Agreement or arising out of any such default or incident of delay in payment of sums and the performance of obligations thereunder, or in pursuing or exercising any right, rights, remedy or remedies consequent upon the default of the Corporation thereunder.

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or provide for the payment pursuant to the provisions of this Indenture, the principal of the Bonds, premium, if any, and the interest due or to become due thereon, at the times and in the manner set forth in the Bonds and this Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and agreements as provided in and pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such performance and payments this Indenture and the rights created hereby shall cease, terminate and be void as provided in Article XII hereof; otherwise this Indenture shall be and remain in full force and effect.

The Issuer hereby covenants and agrees with, and does hereby covenant unto the Trustee, that it has good right and lawful authority to transfer and assign the Trust Estate to the extent and

in the manner herein provided; that the Issuer will not suffer any lien or encumbrance to exist upon the Trust Estate, or any part thereof, superior to the security or lien to accrue or be created under this Indenture; or do or suffer any act or thing whereby the security hereof may be diminished or impaired; and the Issuer further does covenant, and by these presents hereby covenants and agrees to defend or cause to be defended forever the title to each and every part of said Trust Estate against the claims and demands of all persons whomsoever.

THIS INDENTURE FURTHER WITNESSETH and it is expressly declared that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of said Trust Estate hereby conveyed, transferred, assigned, confirmed, pledged and encumbered is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant with the Trustee and with the respective owners, from time to time, of the Bonds, or any part thereof as follows:

ARTICLE III

AUTHORIZATION, TERMS AND CONDITIONS OF BONDS

Section 3.1 **Bonds Issuable Under this Article Only.** No Series 2004A Bonds, Series 2004B Bonds or Series 2004C Bonds may be issued under the provisions of this Indenture except in accordance with the provisions of this Article.

Section 3.2 **Authorization of Bonds; Dates, Maturities, Fixed Rate Conversion and Interest Rates for the Bonds.** (a) There is hereby authorized and issued under this Indenture \$60,985,000 aggregate principal amount of bonds to be known as "Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A," \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B" and \$925,000 "Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C" to be issued for the purpose of (i) paying the Prior Debt, currently outstanding in the amount of \$14,590,000, (ii) demolishing certain existing facilities and renovating, developing and constructing the Facilities, (iii) funding the costs of marketing the Facilities; (iv) funding a deposit to the Debt Service Reserve Fund, (v) paying capitalized interest on the Series 2004 Bonds; (vi) funding a deposit to the Replacement Fund; and (vii) paying costs of issuance of the Series 2004 Bonds, including the premium for any bond insurance policy insuring the Series 2004 Bonds.

(b) The Series 2004 Bonds shall be dated August 1, 2004. The Series 2004A Bonds shall be issued in the aggregate principal amount of \$60,985,000 and shall bear interest and mature as set forth in the table below; the Series 2004B Bonds shall be issued in the aggregate principal amount of \$15,000,000, will be dated as of the date of delivery thereof, shall initially bear interest at the Auction Rate, and shall mature on August 1, 2034; and the Series 2004C Bonds shall be issued in the aggregate principal amount of \$925,000, will be dated August 1, 2004, and shall mature on August 1, 2006 and August 1, 2007. Interest on the Series 2004 Bonds shall be payable on each Interest Payment Date applicable to such Series 2004 Bonds. Auctions with respect to the Auction Rate Bonds shall be held on each Auction Date, as more fully described in Sections 3.14 through 3.19 hereof.

Series 2004A Bonds

| <u>Maturity</u> <u>August 1</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> |
|------------------------------------|-----------------------------------|--------------------------------|
| 2007 | 180,000 | 3.500% |
| 2008 | 1,015,000 | 3.500 |
| 2009 | 1,170,000 | 3.500 |
| 2010 | 1,325,000 | 3.750 |
| 2011 | 1,500,000 | 4.000 |
| 2012 | 1,680,000 | 4.500 |

| | | |
|------|-----------|-------|
| 2013 | 1,885,000 | 4.000 |
| 2014 | 1,960,000 | 4.000 |
| 2015 | 2,040,000 | 5.000 |
| 2016 | 2,140,000 | 4.000 |
| 2017 | 2,230,000 | 4.000 |
| 2018 | 2,320,000 | 4.100 |
| 2019 | 2,415,000 | 4.200 |
| 2022 | 2,785,000 | 4.500 |
| 2025 | 3,225,000 | 4.750 |
| 2028 | 3,720,000 | 4.750 |

| | |
|--------------|--------------------------------------|
| \$5,160,000 | 5.250% Term Bonds due August 1, 2021 |
| \$5,970,000 | 5.250% Term Bonds due August 1, 2024 |
| \$6,920,000 | 5.000% Term Bonds due August 1, 2027 |
| \$11,345,000 | 5.000% Term Bonds due August 1, 2031 |

Series 2004B Bonds

\$15,000,000 Term Bonds due August 1, 2034

Series 2004C Bonds

| <u>Maturity</u> <u>August 1</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> |
|------------------------------------|-----------------------------------|--------------------------------|
| 2006 | \$225,000 | 3.000% |
| 2007 | 700,000 | 3.500 |

(c) The Auction Rate Bonds shall be subject to mandatory tender for purchase upon a Fixed Rate Conversion. The effective date of such Fixed Rate Conversion shall be set forth in a supplement to this Indenture.

(d) Notice of a Fixed Rate Conversion shall be in substantially the form of **Exhibit G** attached hereto. Such notice, as prepared by or on behalf of the Issuer at the direction of the Board and provided to the Trustee at least forty (40) days prior to the Fixed Rate Conversion Date, shall be mailed by the Trustee to the Bondholders, to the Bond Insurer, to the Auction Agent, and to the Rating Agencies at least thirty (30) days prior to the Fixed Rate Conversion Date. In the event of a failure of the Fixed Rate Conversion on the Fixed Rate Conversion Date, Auction Rate Bonds then submitted for purchase shall be returned, with an appropriate notice explaining the failure of the Fixed Rate Conversion and that the former position of such Bondowners shall be restored in all particulars.

(e) Auction Rate Bonds that are not tendered by the Fixed Rate Conversion Date shall be deemed tendered to the Trustee as of the Fixed Rate Conversion Date, subject, however, to remarketing or purchase by the entity selected by the Remarketing Agent for settlement on the Fixed Rate Conversion Date and receipt by the Trustee of the price equal to one hundred percent

(100%) of the principal amount thereof from the purchasers thereof or the Remarketing Agent. In the event that on the Fixed Rate Conversion Date the Remarketing Agent shall have been unable to remarket all Auction Rate Bonds for settlement on the Fixed Rate Conversion Date and shall not have elected not to purchase for its own account such unremarketed Auction Rate Bonds, or on the Fixed Rate Conversion Date the Trustee shall not have received the purchase price therefor, the proposed Fixed Rate Conversion shall be cancelled, such Auction Rate Bonds shall remain subject to the Auction Procedures and shall bear interest at the Maximum Auction Rate as of the failed Fixed Rate Conversion Date for the Interest Accrual Period commencing on such date, but not to exceed seven (7) days.

(f) Interest shall be computed as follows: (i) for Series 2004A Bonds, Series 2004B Bonds on and after the Fixed Rate Conversion Date, and Series 2004C Bonds, on the basis of a 360-day year consisting of twelve (12) thirty (30) day months apportioned for partial months; (ii) for Auction Rate Bonds, on the basis of a 360-day year and the actual number of days elapsed and (iii) for Variable Rate Bonds, on the basis of a year of 365 or 366 days, as applicable, and the actual number of days elapsed.

(g) The Bonds of each series shall be numbered consecutively from R-1 upward, or in such other manner as the Issuer, with the concurrence of the Trustee, shall determine, and may have such additional number designations as shall be necessary to differentiate each series.

(h) The principal of, and premium, if any, of the Bonds shall be payable to the registered owners thereof upon surrender of the Bonds at the principal corporate trust office of the Trustee. The interest on the Bonds, when due and payable, shall be paid by check or draft mailed by the Trustee on such due date to each person in whose name a Bond is registered, at the address(es) as they appear on the Bond Register maintained by the Trustee at the close of business on the applicable Record Date irrespective of any transfer or exchange of the Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Issuer shall default in payment of interest due on such Interest Payment Date, provided that the owners of \$1,000,000 or more in aggregate principal amount of Bonds may request payment by wire transfer if such owners have requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of any such default, such defaulted interest shall be payable on a payment date established by the Trustee to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owners of the Bonds not less than fifteen (15) days preceding such special record date. Payment as aforesaid shall be made in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

Section 3.3 **Form of Bonds.** The Series 2004A Bonds issued under this Indenture shall be substantially in the form set forth in **Exhibit A-1** attached hereto and made a part hereof, the Series 2004B Bonds issued under this Indenture shall be substantially in the form set forth in **Exhibit A-2** attached hereto and made a part hereof and the Series 2004C Bonds issued under this Indenture shall be substantially in the form set forth in **Exhibit A-3** attached hereto and

made part hereof, with such appropriate variations, additions, omissions and insertions as are permitted or required by this Indenture. All Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Bonds may be listed or any usage or requirement of law with respect thereto. All Bonds may bear identifying CUSIP numbers, but any failure to include such numbers or any error in any CUSIP number so included shall not in any way affect the validity of the Bonds. The form of Series 2004B Bonds effective after a Variable Rate Conversion shall be attached to the supplemental indenture executed in connection with such Variable Rate Conversion.

Section 3.4 **Redemption of Bonds.**

(a) **Optional Redemption.** (i) The Series 2004A Bonds maturing on and after August 1, 2015, and, after the Fixed Rate Conversion Date, the Series 2004B Bonds shall be subject to redemption prior to maturity, at the option of the Issuer, upon written direction from the Board, on or after August 1, 2014, as a whole or in part at any time, and in any order of maturity directed in writing by the University Representative, and at a price equal to the principal amount thereof so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Auction Rate Bonds shall be subject to redemption at the option of the Issuer upon the written direction of the Board, as a whole or in part on the first day of any Auction Period if there are sufficient moneys to make such redemption on such date, at a price equal to the principal amount thereof so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(iii) The Series 2004B Bonds are subject to redemption in part at the option of the Issuer, upon written direction from the Board, on any Interest Payment Date from amounts transferred by the Trustee from the Project Fund to the Principal Account of the Debt Service Fund upon completion of construction of the Facilities in accordance with Section 4.19 hereof, the Series 2004B Bonds to be redeemed shall be selected by the Trustee in such manner as the Trustee may determine, at a price equal to the principal of the Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(b) **Mandatory Redemption.** (i) If the Board shall purchase the Corporation's leasehold interest in the Facilities pursuant to Section 23 of the Facilities Lease, the Series 2004 Bonds shall be redeemed as a whole. With respect to (i) any Auction Rate Bonds and any Variable Rate Bonds, the same shall be redeemed on the first respective Interest Payment Date or Dates after such purchase and (ii) with respect to the Series 2004A Bonds, the Series 2004B Bonds bearing interest at a Fixed Rate, and the Series 2004C Bonds, the same shall be redeemed on the later of (a) August 1, 2014, or (b) the earliest practicable date, but not more than sixty (60) days, after such purchase, and in any event, at a price equal to the principal amount of the Series 2004 Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2004 Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Bonds is not an Authorized Denomination, the principal amount of Bonds to be redeemed pursuant to this subsection (b) shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order: first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, Series 2004A Bonds.

(c) Mandatory Sinking Fund Redemption.

(i) The Series 2004A Bonds maturing on August 1, 2021, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2020 | \$2,515,000 |
| 2021 | 2,645,000 |

The Series 2004A Bonds maturing on August 1, 2024, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2023 | \$2,910,000 |
| 2024 | 3,060,000 |

The Series 2004A Bonds maturing on August 1, 2027, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2026 | \$3,375,000 |
| 2027 | 3,545,000 |

The Series 2004A Bonds maturing on August 1, 2031 shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2029 | \$3,900,000 |
| 2030 | 4,095,000 |
| 2031 | 3,350,000 |

If on any occasion less than all of the Series 2004A Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in Section 3.4(a)(i) hereof or Section 3.4(b) hereof, then the principal amount of the Series 2004A Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above tables. The principal amounts required by the tables above shall be adjusted downward in the amount of principal redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional redemption.

(ii) The Series 2004B Bonds shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2031 | \$ 950,000 |
| 2032 | 4,500,000 |
| 2033 | 4,675,000 |
| 2034 | 4,875,000 |

If on any occasion less than all of the Series 2004B Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in Section 3.4(a) hereof or Section 3.4(b) hereof, then the principal amount of the Series 2004B Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above table. The principal amounts required by the table above shall be adjusted downward in the amount of principal

redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional or mandatory redemption.

(d) Any Additional Bonds issued under the provisions of Article V of this Indenture may be made subject to redemption, either in whole or in part and at such times and prices, as may be provided in the resolution or resolutions of the Issuer authorizing the issuance of such Additional Bonds. Any Series 2004B Bonds converted to Variable Rate Bonds shall be subject to redemption as provided in the supplemental indenture executed in connection with such Variable Rate Conversion.

(e) Unless otherwise specified above, if less than all of the Bonds shall be called for redemption, the maturity of the Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Bond shall be called for redemption, a new Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

(f) At least thirty (30) days before the redemption date of any Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds then outstanding shall be called for redemption, the numbers of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

(g) Any notice of redemption may, at the direction of the Issuer upon the written request of the Board, state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of sufficient and legally available funds to pay the redemption price of the Bonds to be redeemed and that if such funds are not so received or are not so legally available such notice shall be of no force or effect and such Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and sufficient funds to pay the redemption price of such Bonds shall not be received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption shall have been given, that such funds were not so received.

(h) On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided and money for payment of the redemption price being held in the Debt Service Fund in trust for the owners of the Bonds or portions thereof to be redeemed, the Bonds or portions of Bonds so called for redemption shall become and be due and

payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds or portions of Bonds shall cease to be entitled to any benefit or security under this Indenture, and the owners of such Bonds or portions of Bonds shall not have rights in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the next paragraph, to receive Bonds for any unredeemed portions of Bonds.

(i) In case part, but not all, of an outstanding Bond shall be selected for redemption, the registered owner thereof or his legal representative shall present and surrender such Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Trustee shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a new Bond.

(j) Bonds and portions of Bonds which have been duly called for redemption under the provisions of this Article, or with respect to which irrevocable instructions to call for redemption have been given to the Trustee in form satisfactory to it, and for the payment of the redemption price for which moneys, or Defeasance Obligations, shall be held by the Trustee in a segregated account in trust for the owners of the Bonds or portions thereof to be redeemed, shall not thereafter be deemed to be outstanding under the provisions of this Indenture and shall cease to be entitled to any security or benefit under this Indenture other than the right to receive payment from such moneys.

Section 3.5 Execution; Limitation of Liability. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signatures of the Chairman or Vice Chairman and the Secretary/Treasurer of the Issuer, and shall have impressed or imprinted thereon the official seal of the Issuer or a facsimile thereof. The Bonds, together with interest and premium, if any, thereon, shall not constitute a debt of the State or any political subdivision thereof. The Bonds, together with interest thereon, shall be limited obligations of the Issuer and shall be secured by and payable solely out of revenues derived from the Payments made pursuant to the Agreement and Trust Estate pledged hereunder. The Issuer shall not be obligated to pay the principal of the Bonds or the interest or premium, if any, thereon or other costs incidental thereto except from payments made pursuant to the Agreement. In case any officer of the Issuer whose signature or whose facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. **THE BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THIS INDENTURE. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY**

OBLIGATE THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.

Section 3.6 **Authentication**. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Indenture unless and until a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto and made a part hereof shall have been duly executed by a duly authorized representative of the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized representative of the Trustee, but it shall not be necessary that the same representative sign the certificate of authentication on all of the Bonds issued hereunder.

Section 3.7 **Mutilated, Lost, Stolen or Destroyed Bonds**. In the event any outstanding Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Issuer may execute and, upon its request, the Trustee may authenticate a new Bond of the same principal amount and of like tenor as the mutilated, lost or stolen or destroyed Bond; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Issuer and the Trustee evidence of such loss, theft or destruction in form satisfactory to the Issuer and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond the Issuer may authorize the payment of the same. The Issuer and the Trustee may charge the owner of such Bond with their reasonable fees and expenses in this connection. Any Bond issued under the provisions of this Section 3.7 in lieu of any Bond alleged to be destroyed, lost or stolen shall constitute an original additional contractual obligation on the part of the Issuer, whether or not the Bond so alleged to be destroyed, lost or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture together with all other Bonds in substitution for which such Bonds were issued.

Section 3.8 **Registration of Bonds**. The Trustee shall be the bond registrar for the Bonds. So long as any of the Bonds shall remain outstanding, there shall be maintained and kept for the Issuer, at the principal corporate trust office of the Trustee, the Bond Register for the registration and transfer of the Bonds and, upon presentation thereof for such purpose at said office, the Trustee shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Bond.

Each Bond shall be transferable only upon the Bond Register at the principal corporate trust office of the Trustee at the written request of the registered owner thereof or his legal representative duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his legal representative duly authorized in writing. Upon the transfer of any such Bond, the Trustee shall issue in the name of the transferee, in authorized denominations, one or more Bonds of the same aggregate principal amount as the surrendered Bonds.

Section 3.9 **Persons Treated as Owners.** The Issuer and the Trustee may, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on any Bond and for all other purposes, deem and treat the person in whose name such Bond shall be registered upon the Bond Register as the absolute owner of such Bond, whether or not such Bond is overdue, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

Payment made to the person deemed to be the owner of any Bond for the purpose of such payment in accordance with the provisions of this Section 3.9 shall be valid and effectual, to the extent of the sum or sums so paid, to satisfy and discharge the liability upon such Bond in respect of which such payment was made.

Section 3.10 **Exchange and Transfer of Bonds.** As long as any of the Bonds remain outstanding, there shall be permitted the exchange of Bonds at the principal corporate trust office of the Trustee. Any Bond or Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Bonds in Authorized Denominations.

For every such exchange or transfer of Bonds, the Issuer or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The Trustee shall not be required to register the transfer or exchange of (a) any Bonds during the fifteen (15) day period next preceding the selection of Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Bonds selected for redemption, or (b) any Bonds selected, called or being called for redemption in whole or in part, except in the case of any Bond to be redeemed in part, the portion thereof not so to be redeemed.

Section 3.11 **Cancellation and Destruction of Surrendered Bonds.** Upon the surrender to the Trustee of any temporary or mutilated Bonds, or Bonds transferred or exchanged for other Bonds, or Bonds paid at maturity by the Issuer, the same shall forthwith be canceled and destroyed by the Trustee, and the Trustee, upon the request of the Issuer, shall deliver its certificate of such destruction to the Issuer.

Section 3.12 **Delivery of the Series 2004 Bonds.** Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate the Series 2004 Bonds and deliver them to the purchasers thereof as shall be directed by the Issuer as hereinafter in this Section provided.

Prior to or simultaneously with the delivery by the Trustee of the Series 2004 Bonds, there shall be filed with the Trustee:

(a) A copy, duly certified by the Secretary/Treasurer of the Issuer, of the resolution or resolutions adopted by the Issuer authorizing the execution and delivery of this Indenture and the Agreement, and all other instruments contemplated thereby and the authorization, issuance, sale and delivery of the Series 2004 Bonds;

(b) A copy, duly certified by an Authorized Corporation Representative, of the resolution or resolutions of the Corporation authorizing the execution and delivery of the Agreement, and all other instruments contemplated thereby and approving this Indenture and the authorization, issuance, sale and delivery of the Series 2004 Bonds;

(c) Original executed counterparts of this Indenture, the Agreement, the Bond Insurance Policies, the Reimbursement Agreement, the Ground Lease, the Facilities Lease, Tax Regulatory Agreement and the Mortgage (the "Bond Documents");

(d) Copies of the Plans and Specifications (as defined in the Ground Lease) and all land surveys and other documents relating to the construction of the Facilities;

(e) Signed copies of all opinions of counsel required in connection with the issuance of the Series 2004 Bonds and the transactions contemplated thereby;

(f) A request and authorization to the Trustee on behalf of the Issuer and signed by its Chairman, Vice Chairman or Secretary/Treasurer to authenticate and deliver the Series 2004 Bonds to the purchasers thereof and specifying the amounts to be deposited in the Bond Proceeds Fund and the Cost of Issuance Account, and then to be transferred to the Project Fund, the Debt Service Reserve Fund, the Capitalized Interest Fund, the Refunding Fund, the Replacement Fund and the Debt Service Fund and setting forth the Initial Auction Rate; and

(g) A signed copy of the legal opinion of Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P., Bond Counsel, addressed to the Trustee, to the effect that (i) the Series 2004 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (ii) authorizing the Trustee to rely upon Bond Counsel's approving opinion as if it were addressed to the Trustee.

The Issuer hereby authorizes and directs the Trustee to execute and deliver the Tax Regulatory Agreement.

Section 3.13 **Book-Entry Registration of Bonds**. The Bonds shall be initially issued in the name of Cede & Co., as nominee for DTC, as registered owner of the Bonds, and held in the custody of DTC. The Issuer and the Trustee acknowledge that the Issuer has executed and delivered a Blanket Letter of Representations with DTC and that the terms and provisions of said Letter of Representations shall govern in the event of any inconsistency between the provisions of this Indenture and said Letter of Representations. A single bond certificate for each maturity of Bonds will be issued and delivered to DTC. The Beneficial Owners will not receive physical delivery of Bond certificates except as provided herein. Beneficial Owners are expected to

receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate.

For every transfer and exchange of the Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

The Issuer, the Corporation and the Trustee will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

Neither the Issuer, the Trustee nor the Corporation are responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy in lieu of consent.

Whenever during the term of the Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Indenture of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the Issuer and the Trustee and discharging its responsibilities with respect thereto under applicable law.

The Issuer, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the Issuer determines that (a) DTC is unable to discharge its responsibilities with respect to the Bonds, or (b) a continuation of the requirement that all of the outstanding Bonds be registered on the registration books kept by the Trustee in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Bonds.

Upon the termination of the services of DTC with respect to the Bonds pursuant to the above two paragraphs, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Issuer is willing and able to undertake such functions upon reasonable and customary terms, the Issuer is obligated to deliver Bonds to the owner, at the expense of the said owner as described in this Indenture, and the Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names holders transferring or exchanging Bonds shall designate in accordance with the provisions of this Indenture.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such

Bond shall be made and given, respectively, in the manner provided in the Blanket Letter of Representations of the Issuer dated November 17, 1998 and delivered to DTC.

If at any time DTC ceases to hold the Bonds, all references herein to DTC shall be of no further force or effect.

If the Issuer is unable to retain a qualified successor to the Securities Depository or the Issuer has determined that it is in the best interest of the Issuer not to continue a book-entry system of transfer or that the interest of the Beneficial Owners of the Bonds might be adversely affected if a book-entry system of transfer is continued (the Issuer undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify Beneficial Owners of the Bonds by mailing an appropriate notice to the Securities Depository, upon receipt by the Issuer of the Bonds together with an assignment duly executed by the Securities Depository, the Issuer, shall, subject to the limitations of Article III hereof, execute, and cause to be authenticated and delivered pursuant to the instructions of the Securities Depository, Bonds in fully registered form, in substantially the form set forth in this Indenture, in Authorized Denominations. In such event, payment of principal at maturity shall be made upon surrender of such Bonds to the Trustee. In such case, the Interest Rate on the Auction Rate Bonds for any Interest Accrual Period commencing after the delivery of Auction Rate Bonds in fully registered form shall equal the Maximum Auction Rate and conversion to Fixed Rate shall occur. To the extent the Auction Rate Bonds are restored to a book-entry system authorized by this Section 3.13, the Interest Rate on the Auction Rate Bonds shall be determined by the Auction Procedures prescribed by Section 3.14 through 3.19 hereof.

Section 3.14 **Auction Rate: Auction Period-General.** (a) Unless converted to another interest rate methodology following a mandatory tender for purchase, the Series 2004B Bonds shall, subsequent to the Initial Period, bear interest at the Auction Rate. The Initial Auction Rate shall be set forth in the Certificate of the Issuer described in Section 3.12(f) hereof. During each Auction Period, the Auction Rate shall be equal to the rate of interest per annum that results from implementation of the Auction Procedures subject to the Maximum Auction Rate; provided that, if on any scheduled Auction Date, an Auction shall not be held for any reason (with the determination that an Auction was not held to be made by the Auction Agent and if the Auction Agent shall not be capable of or shall not make such determination, then such determination shall be made by the Market Agent), then the following shall apply:

(i) With respect to an Auction Period of greater than one hundred eighty (180) days, the Standard Auction Period shall automatically convert to an Auction Period of seven (7) days;

(ii) An Auction shall be deemed to have occurred on the scheduled Auction Date;

(iii) The Auction Rate for such deemed Auction to be in effect for the next succeeding Auction Period shall be equal to the Auction Rate for the preceding Auction Period; and

(iv) The succeeding Auction Period shall begin on the calendar day following the scheduled Auction Date.

(b) Such procedures set forth above shall be applicable for one Auction Period. In the event that the next Auction shall not be held for any reason (with the determination to be made by the Auction Agent that an Auction was not held and if the Auction Agent shall not be capable of or does not make such determination, then such determination shall be made by the Market Agent) then the Maximum Auction Rate shall apply with respect to succeeding Auction Periods until an Auction can be held.

(c) By purchasing Auction Rate Bonds, whether in an Auction or otherwise, each such purchaser or its Broker-Dealer, must agree and shall be deemed by such purchase to have agreed (i) to participate in Auctions on the terms described herein, (ii) to have its beneficial ownership of the Auction Rate Bonds maintained at all times in book-entry form for the account of its Participant, which in turn will maintain records of such beneficial ownership, and (iii) to authorize such Participant to disclose to the Auction Agent such information with respect to such beneficial ownership as the Auction Agent may request.

(d) So long as the beneficial ownership of the Auction Rate Bonds is maintained in a book entry system, an Existing Holder of Auction Rate Bonds may sell, transfer, or otherwise dispose thereof only pursuant to a Bid or Sell Order placed in an Auction or otherwise sell, transfer, or dispose thereof through a Broker-Dealer, provided that, in the case of all transfers other than pursuant to Auctions, such Existing Holder, its Broker-Dealer or its Participant advises the Auction Agent of such transfer.

(e) Notwithstanding the foregoing, if:

(i) the beneficial ownership of the Auction Rate Bonds is no longer maintained in a book entry system, the Interest Rate on the Auction Rate Bonds for any Interest Accrual Period commencing after the delivery of certificates representing Auction Rate Bonds pursuant to this Indenture shall equal the Maximum Auction Rate;

(ii) a Payment Default shall have occurred, then the rate of interest for each subsequent Auction Period commencing after such occurrence and during the continuance thereof to and including the subsequent Auction Period, if any, during which, or commencing less than two (2) Business Days after, such Payment Default shall have been waived in accordance with the terms hereof, shall equal the Nonpayment Rate on the Auction Date for each such subsequent Auction Period; or

(iii) a proposed Fixed Rate Conversion shall have failed, then the rate of interest for the Auction Rate Bonds shall be the Maximum Auction Rate as of the failed Fixed Rate Conversion Date for the Interest Accrual Period commencing on such date.

(f) Interest on the Auction Rate Bonds shall accrue for each Auction Period and shall be payable in arrears, on each Interest Payment Date.

(g) Auction Periods may be established pursuant to Section 3.18 hereof at any time unless an Event of Default shall have occurred. Each Auction Period shall be a Standard Auction Period unless a different Auction Period shall be established pursuant to Section 3.18 hereof and each

Auction Period that immediately succeeds a non-Standard Auction Period shall be a Standard Auction Period unless a different Auction Period shall be established pursuant to Section 3.18 hereof.

Section 3.15 **Auction Procedure**. Subject to the provisions of subsection (a) of Section 3.1 hereof, Auctions shall be conducted on each Auction Date in the following manner:

(a) (i) Prior to 1:00 p.m. (New York City time) on each Auction Date:

(A) each Existing Holder of Auction Rate Bonds may submit to a Broker-Dealer information as to:

(1) the principal amount of Outstanding Auction Rate Bonds, if any, held by such Existing Holder that such Existing Holder desires to continue to hold without regard to the Auction Rate for the next succeeding Auction Period;

(2) the principal amount of Outstanding Auction Rate Bonds, if any, that such Existing Holder offers to sell if the Auction Rate for the next succeeding Auction Period shall be less than the rate per annum specified by such Existing Holder; and/or

(3) the principal amount of Outstanding Auction Rate Bonds, if any, held by such Existing Holder that such Existing Holder offers to sell without regard to the Auction Rate for the next succeeding Auction Period; and

(B) one or more Broker-Dealers may contact Potential Holders to determine the principal amount of Auction Rate Bonds which that such Potential Holder offers to purchase if the Auction Rate for the next succeeding Auction Period shall not be less than the rate per annum specified by such Potential Holder.

For the purposes hereof, the communication to a Broker-Dealer of information referred to in clause (A)(1), (A)(2), (A)(3), or (B) of this paragraph (i) is hereinafter referred to as an "**Order**" and collectively as "**Orders**," and each Existing Holder and each Potential Holder placing an Order is hereinafter referred to as a "**Bidder**" and collectively as "**Bidders**;" an Order containing the information referred to in (x) clause (A)(1) of this paragraph (i) is hereinafter referred to as a "**Hold Order**" and collectively as "**Hold Orders**," (y) clause (A)(2) or (B) of this paragraph (i) is hereinafter referred to as a "**Bid**" and collectively as "**Bids**" and (z) clause (A)(3) of this paragraph (i) is hereinafter referred to as a "**Sell Order**" and collectively as "**Sell Orders**."

(ii) (A) Subject to the provisions of subsection (b) of this Section, a Bid by an Existing Holder shall constitute an irrevocable offer to sell:

(1) the principal amount of Outstanding Auction Rate Bonds specified in such Bid if the Auction Rate determined as provided in this Section shall be less than the rate specified therein; or

(2) such principal amount or a lesser principal amount of Outstanding Auction Rate Bonds to be determined as set forth in clause (D) of paragraph (i) of subsection (d) of this Section if the Auction Rate determined as provided in this Section shall be equal to the rate specified therein; or

(3) such principal amount or a lesser principal amount of Outstanding Auction Rate Bonds to be determined as set forth in clause (C) of paragraph (ii) of subsection (d) of this Section if the rate specified therein shall be higher than the Maximum Auction Rate and Sufficient Clearing Bids do not exist.

(B) Subject to the provisions of subsection (b) of this Section, a Sell Order by an Existing Holder shall constitute an irrevocable offer to sell:

(1) the principal amount of Outstanding Auction Rate Bonds specified in such Sell Order; or

(2) such principal amount or a lesser principal amount of Outstanding Auction Rate Bonds as set forth in clause (C) of paragraph (ii) of subsection (d) of this Section if Sufficient Clearing Bids do not exist.

(C) Subject to the provisions of subsection (b) of this Section, a Bid by a Potential Holder shall constitute an irrevocable offer to purchase:

(1) the principal amount of Outstanding Auction Rate Bonds specified in such Bid if the Auction Rate determined as provided in this Section shall be higher than the rate specified therein; or

(2) such principal amount or a lesser principal amount of Outstanding Auction Rate Bonds as set forth in clause (E) of paragraph (i) of subsection (d) of this Section if the Auction Rate determined as provided in this Section shall be equal to the rate specified therein.

(b) (i) Each Broker-Dealer shall submit in writing to the Auction Agent by the Submission Deadline on each Auction Date all Orders obtained by such Broker-Dealer and shall specify with respect to each Order:

(A) the name of the Bidder placing such Order;

(B) the aggregate principal amount of Auction Rate Bonds that are the subject of such Order;

(C) to the extent that such Bidder is an Existing Holder:

(1) the principal amount of Auction Rate Bonds, if any, subject to any Hold Order placed by such Existing Holder;

(2) the principal amount of Auction Rate Bonds, if any, subject to any Bid placed by such Existing Holder and the rate specified in such Bid; and

(3) the principal amount of Auction Rate Bonds, if any, subject to any Sell Order placed by such Existing Holder; and

(D) to the extent such Bidder is a Potential Holder, the rate specified in such Potential Holder's Bid.

(ii) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth (.001) of one percent (1%).

(iii) If an Order or Orders covering all Outstanding Auction Rate Bonds held by any Existing Holder shall not be submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the principal amount of Outstanding Auction Rate Bonds held by such Existing Holder and not subject to an Order submitted to the Auction Agent.

(iv) Neither the Authority, the Trustee, nor the Auction Agent shall be responsible for any failure of a Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Holder or Potential Holder.

(v) If any Existing Holder submits through a Broker-Dealer to the Auction Agent one or more Orders covering in the aggregate more than the principal amount of Outstanding Auction Rate Bonds held by such Existing Holder, such Orders shall be considered valid as follows and in the following order of priority:

(A) all Hold Orders shall be considered valid, but only up to and including in the aggregate the principal amount of Auction Rate Bonds held by such Existing Holder, and, if the aggregate principal amount of Auction Rate Bonds subject to such Hold Orders exceeds the aggregate principal amount of Outstanding Auction Rate Bonds held by such Existing Holder, the aggregate principal amount of Auction Rate Bonds subject to each such Hold Order shall be reduced pro rata to cover the

aggregate principal amount of Outstanding Auction Rate Bonds held by such Existing Holder;

(B) (1) any Bid shall be considered valid up to and including the excess of the principal amount of Outstanding Auction Rate Bonds held by such Existing Holder over the aggregate principal amount of Auction Rate Bonds subject to any Hold Orders referred to in clause (A) of this paragraph (v);

(2) subject to subclause (1) of this clause (B), if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate principal amount of Outstanding Auction Rate Bonds subject to such Bids is greater than such excess, such Bids shall be considered valid up to and including the amount of such excess, and the principal amount of Auction Rate Bonds subject to each Bid with the same rate shall be reduced pro rata to cover the principal amount of Auction Rate Bonds equal to such excess;

(3) subject to subclauses (1) and (2) of this clause (B), if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid first in the ascending order of their respective rates until the highest rate is reached at which such excess exists and then at such rate up to and including the amount of such excess; and

(4) in any such event, the aggregate principal amount of Outstanding Auction Rate Bonds, if any, subject to Bids not valid under this clause (B) shall be treated as the subject of a Bid by a Potential Holder at the rate therein specified; and

(C) all Sell Orders shall be considered valid up to and including the excess of the principal amount of Outstanding Auction Rate Bonds held by such Existing Holder over the aggregate principal amount of Auction Rate Bonds subject to Hold Orders referred to in clause (A) of this paragraph (v) and valid Bids referred to in clause (B) of this paragraph (v).

(vi) If more than one Bid for Auction Rate Bonds is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate and principal amount therein specified.

(vii) Any Bid or Sell Order submitted by an Existing Holder covering an aggregate principal amount of Auction Rate Bonds not equal to Twenty-Five Thousand Dollars (\$25,000) or an integral multiple thereof shall be rejected and shall be deemed a Hold Order. Any Bid submitted by a Potential Holder covering an aggregate principal amount of Auction Rate Bonds not equal to Twenty-Five Thousand Dollars (\$25,000) or an integral multiple thereof shall be rejected.

(c) (i) Not earlier than the Submission Deadline on each Auction Date, the Auction Agent shall assemble all valid Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to individually as a "**Submitted Hold Order**," a "**Submitted Bid**" or a "**Submitted Sell Order**," as the case may be, or as a "**Submitted Order**" and collectively as "**Submitted Hold Orders**," "**Submitted Bids**" or "**Submitted Sell Orders**," as the case may be, or as "Submitted Orders") and shall determine:

(A) the excess of the total principal amount of Outstanding Auction Rate Bonds over the sum of the aggregate principal amount of Outstanding Auction Rate Bonds subject to Submitted Hold Orders (such excess being hereinafter referred to as the "**Available Auction Rate Bonds**"); and

(B) from the Submitted Orders whether the aggregate principal amount of Outstanding Auction Rate Bonds subject to Submitted Bids by Potential Holders specifying one or more rates equal to or lower than the Maximum Auction Rate; exceeds or is equal to the sum of:

(1) the aggregate principal amount of Outstanding Auction Rate Bonds subject to Submitted Bids by Existing Holders specifying one or more rates higher than the Maximum Auction Rate; and

(2) the aggregate principal amount of Outstanding Auction Rate Bonds subject to Submitted Sell Orders. In the event such excess or such equality exists (other than because the sum of the principal amounts of Auction Rate Bonds in subclauses (A) and (B) above is zero because all of the Outstanding Auction Rate Bonds are the subject of Submitted Hold Orders), such Submitted Bids in this subclause (B) are hereinafter referred to collectively, as "**Sufficient Clearing Bids**"; and

(C) Sufficient Clearing Bids exist, the lowest rate specified in such Submitted Bids (the "**Winning Bid Rate**") which if:

(1) (aa) each such Submitted Bid from Existing Holders specifying such lowest rate and (bb) all other Submitted Bids from Existing Holders specifying lower rates were rejected, would entitle such Existing Holders to continue to hold the principal amount of Auction Rate Bonds subject to such Submitted Bids; and

(2) (aa) each such Submitted Bid from Potential Holders specifying such lowest rate and (bb) all other Submitted Bids from Potential Holders specifying lower rates were accepted, would result in such Existing Holders described in subclause (1) above continuing to hold an aggregate principal amount of Outstanding Auction Rate Bonds which, when added to the aggregate principal amount of Outstanding Auction Rate Bonds to be

purchased by such Potential Holders described in this subclause (2), would equal not less than the Available Auction Rate Bonds.

(ii) Promptly after the Auction Agent has made the determinations pursuant to paragraph (i) of this subsection (c), the Auction Agent shall, by telecopy confirmed in writing, advise the Authority and the Trustee of the Maximum Auction Rate and the All-Hold Rate and the components thereof on the Auction Date and, based on such determinations, the Auction Rate for the next succeeding Auction Period as follows:

(A) if Sufficient Clearing Bids exist, that the Auction Rate for the next succeeding Auction Period shall be equal to the Winning Bid Rate so determined;

(B) if Sufficient Clearing Bids do not exist (other than because all of the Outstanding Auction Rate Bonds are subject to Submitted Hold Orders), that the Auction Rate for the next succeeding Auction Period shall be equal to the Maximum Auction Rate; or

(C) if all Outstanding Auction Rate Bonds are subject to Submitted Hold Orders, that the Auction Rate for the next succeeding Auction Period shall be equal to the All-Hold Rate.

(d) Existing Holders shall continue to hold the principal amount of Auction Rate Bonds that are subject to Submitted Hold Orders, and, based on the determinations made pursuant to paragraph (i) of subsection (c) of this Section 3.15, Submitted Bids and Submitted Sell Orders shall be accepted or rejected and the Auction Agent shall take such other action as set forth below:

(i) If Sufficient Clearing Bids have been made, all Submitted Sell Orders shall be accepted and, subject to the provisions of paragraphs (iv) and (v) of this subsection (d), Submitted Bids shall be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(A) Existing Holders' Submitted Bids specifying any rate that is higher than the Winning Bid Rate shall be accepted, thus requiring each such Existing Holder to sell the aggregate principal amount of Auction Rate Bonds subject to such Submitted Bids;

(B) Existing Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate shall be rejected, thus entitling each such Existing Holder to continue to hold the aggregate principal amount of Auction Rate Bonds subject to such Submitted Bids;

(C) Potential Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring such Potential Holder to purchase the aggregate principal amount of Auction Rate Bonds subject to such Submitted Bid;

(D) Each Existing Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate shall be rejected, thus entitling such Existing Holder to continue to hold the aggregate principal amount of Auction Rate Bonds subject to such Submitted Bid, unless the aggregate principal amount of Outstanding Auction Rate Bonds subject to all such Submitted Bids shall be greater than the principal amount of Auction Rate Bonds (the "*remaining principal amount*") equal to the excess of the Available Auction Rate Bonds over the aggregate principal amount of Auction Rate Bonds subject to Submitted Bids described in clauses (B) and (C) of this paragraph (i), in which event such Submitted Bid of such Existing Holder shall be rejected in part, and such Existing Holder shall be entitled to continue to hold the principal amount of Auction Rate Bonds subject to such Submitted Bid, but only in an amount equal to the aggregate principal amount of Auction Rate Bonds obtained by multiplying the remaining principal amount by a fraction the numerator of which shall be the principal amount of Outstanding Auction Rate Bonds held by such Existing Holder subject to such Submitted Bid and the denominator of which shall be the sum of the principal amount of Outstanding Auction Rate Bonds subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate; and

(E) Each Potential Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate shall be accepted but only in an amount equal to the principal amount of Auction Rate Bonds obtained by multiplying the excess of the aggregate principal amount of Available Auction Rate Bonds over the aggregate principal amount of Auction Rate Bonds subject to Submitted Bids described in clauses (B), (C), and (D) of this paragraph (i) by a fraction the numerator of which shall be the aggregate principal amount of Outstanding Auction Rate Bonds subject to such Submitted Bid of such Potential Holder and the denominator of which shall be the sum of the principal amounts of Outstanding Auction Rate Bonds subject to Submitted Bids made by all such Potential Holders that specified a rate equal to the Winning Bid Rate.

(ii) If Sufficient Clearing Bids have not been made (other than because all of the Outstanding Auction Rate Bonds are subject to Submitted Hold Orders), subject to the provisions of paragraph (iv) of this subsection (d), Submitted Orders shall be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(A) Existing Holders' Submitted Bids specifying any rate that is equal to or lower than the Maximum Auction Rate shall be rejected, thus entitling such Existing Holders to continue to hold the aggregate principal amount of Auction Rate Bonds subject to such Submitted Bids;

(B) Potential Holders' Submitted Bids specifying any rate that is equal to or lower than the Maximum Auction Rate shall be accepted, thus requiring such Potential Holders to purchase the aggregate principal amount of Auction Rate Bonds subject to such Submitted Bid; and

(C) each Existing Holder's Submitted Bid specifying any rate that is higher than the Maximum Auction Rate and the Submitted Sell Order of each Existing Holder shall be accepted, thus entitling each Existing Holder that submitted any such Submitted Bid or Submitted Sell Order to sell the Auction Rate Bonds subject to such Submitted Bid or Submitted Sell Order, but in both cases only in an amount equal to the aggregate principal amount of Auction Rate Bonds obtained by multiplying the aggregate principal amount of Auction Rate Bonds subject to Submitted Bids described in clause (B) of this paragraph (ii) by a fraction the numerator of which shall be the aggregate principal amount of Outstanding Auction Rate Bonds held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the aggregate principal amount of Outstanding Auction Rate Bonds subject to all such Submitted Bids and Submitted Sell Orders.

(iii) If all Outstanding Auction Rate Bonds are subject to Submitted Hold Orders, all Submitted Bids shall be rejected.

(iv) If, as a result of the procedures described in paragraphs (i) or (ii) of this subsection (d), any Existing Holder would be entitled or required to sell, or any Potential Holder would be entitled or required to purchase, a principal amount of Auction Rate Bonds that is not equal to Twenty-Five Thousand Dollars (\$25,000) or an integral multiple thereof, the Auction Agent shall, in such manner as, in its sole discretion, it shall determine, round up or down the principal amount of Auction Rate Bonds to be purchased or sold by any Existing Holder or Potential Holder so that the principal amount of Auction Rate Bonds purchased or sold by each Existing Holder or Potential Holder shall be equal to Twenty-Five Thousand Dollars (\$25,000) or any integral multiple thereof.

(v) If, as a result of the procedures described in paragraph (ii) of this subsection (d), any Potential Holder would be entitled or required to purchase less than Twenty-Five Thousand Dollars (\$25,000) principal amount of Auction Rate Bonds, the Auction Agent shall, in such manner as, in its sole discretion, it shall determine, allocate Auction Rate Bonds for purchase among Potential Holders so that only Auction Rate Bonds in principal amounts of Twenty-Five Thousand Dollars (\$25,000) or an integral multiple thereof are purchased by any Potential Holder, even if such allocation results in one or more such Potential Holders not purchasing any Auction Rate Bonds.

(e) Based on the results of each Auction, the Auction Agent shall determine the aggregate principal amount of Auction Rate Bonds to be purchased by Potential Holders and the aggregate principal amount of Auction Rate Bonds to be purchased or sold by Existing Holders on whose behalf each Broker-Dealer submitted Bids or Sell Orders and, with respect to each Broker-Dealer, to the extent that such aggregate principal amount of Auction Rate Bonds to be sold differs from such aggregate principal amount of Auction Rate Bonds to be purchased, determine to which other Broker-Dealer or Broker-Dealers acting for one or more purchasers such Broker-Dealer shall deliver, or from which other Broker-Dealer or Broker-Dealers acting for one or more sellers such Broker-Dealer shall receive, as the case may be, Auction Rate Bonds.

Section 3.16 Application of Interest Payments for Auction Rate Bonds. (a) The Trustee shall determine not later than 12:00 noon (New York City time) on the day prior to each Interest Payment Date therefor whether there is on deposit in (or available for transfer to) the Interest Account of the Debt Service Fund an aggregate amount of funds equal to the aggregate amount of interest due and payable on the Auction Rate Bonds on such Interest Payment Date. The amount of such interest shall be determined by (i) multiplying the principal amount of Auction Rate Bonds Outstanding during such Interest Accrual Period by the Auction Rate established in the Auction for such Interest Accrual Period; (ii) dividing by three hundred sixty (360); (iii) multiplying by the number of days in such Interest Accrual Period; and (iv) adding the resultant figures for each Interest Accrual Period.

(b) So long as no Payment Default has previously occurred and is continuing (i) if a Payment Default exists on an Interest Payment Date the Trustee shall, not later than 12:15 p.m. (New York City time) on such Business Day, send a notice thereof in substantially the form of **Exhibit H** attached hereto to the Auction Agent by telecopy or similar means, and (ii) if such Payment Default is cured on such Interest Payment Date, the Trustee shall immediately send a notice thereof in substantially the form of **Exhibit I** attached hereto to the Auction Agent by telecopy or similar means.

(c) If the interest rate on the Auction Rate Bonds or the Variable Rate Bonds is subject to adjustment pursuant to the Indenture after the date of such required payment deposit and prior to such Interest Payment Date, interest accruing on such bonds from such adjustment date shall be assumed to accrue at the rate in effect on such bonds as of the date of such required deposit plus 100 basis points or at such other rate as the Bond Insurer may from time to time direct in writing to the Trustee, the Corporation and the Issuer. Trustee shall make this determination at least two (2) Business Days before each Interest Payment Date.

Section 3.17 Calculation of Maximum Auction Rate. All Hold Rate and Non-Payment Rate. The Auction Agent shall calculate the Maximum Auction Rate and the All Hold Rate on each Auction Date and shall give notice thereof to the Broker-Dealers, the Issuer and the Trustee. Upon receipt of notice from the Trustee of a failed Fixed Rate Conversion as described in Section 3.21 hereof or a failed Variable Rate Conversion as described in Section 3.22 hereof under the circumstances described in Section 4(A)(iii) – (v) of the Notice of Variable Rate Conversion attached as Exhibit L hereto, the Auction Agent shall calculate the Maximum Auction Rate as of such failed Fixed Rate Conversion Date or Variable Rate Conversion Date and give notice thereof as provided in the Auction Agency Agreement. If a Payment Default shall have occurred and is continuing, the Trustee shall calculate the Non-Payment Rate on the Auction Date for (i) each subsequent Auction Period commencing after the occurrence and during the continuance of such a Payment Default, and (ii) any subsequent Auction Period commencing less than two (2) Business Days after the cure or waiver of any Payment Default in accordance with this Indenture. If the beneficial ownership of the Auction Rate Bonds is no longer maintained in a book entry system, then the Trustee shall determine the Maximum Auction Rate for each Interest Accrual Period on the Business Day immediately preceding the first day of each Interest Accrual Period after the delivery of Auction Rate Bonds in fully registered form pursuant to this Indenture.

Section 3.18 **Change of Auction Period by Issuer.** (a) The Issuer at the direction of the University Representative, may change the length of a single Auction Period or the Standard Auction Period by means of a written notice delivered at least ten (10) days, but no more than fifteen (15) days, prior to the Auction Date for such Auction Period to the Trustee, the Market Agent, the Auction Agent and the Securities Depository in substantially the form attached hereto as, or containing substantially the information contained in **Exhibit J** attached hereto. If such Auction Period will be of less than twenty-one (21) days, such notice shall be effective only if it is accompanied by a written statement of the Trustee, the Market Agent, the Auction Agent, and the Securities Depository to the effect that they are capable of performing their duties hereunder and under the Market Agent Agreement and the Auction Agency Agreement with respect to such Auction Period and by the written consent of the Bond Insurer. If such notice specifies a change in the length of the Standard Auction Period, such notice shall be effective only if it is accompanied by the written consent of the Market Agent to such change. The length of an Auction Period or the Standard Auction Period may not be changed pursuant to this Section unless Sufficient Clearing Bids existed at both the Auction immediately preceding the date the notice of such change was given and the Auction immediately preceding such changed Auction Period.

(b) The change in length of an Auction Period or the Standard Auction Period shall take effect only if (i) the Trustee and the Auction Agent receive, by 11:00 a.m. (New York City time) on the Business Day immediately preceding the Auction Date for such Auction Period, a certificate from the Issuer, by telecopy or similar means in substantially the form attached hereto as, or containing substantially the information contained in, **Exhibit J** attached hereto authorizing the change in the Auction Period or the Standard Auction Period, which shall be specified in such certificate, and confirming that bond counsel expects to be able to give a Bond Counsel Opinion on the first day of such Auction Period to the effect that the change in the Auction Period is authorized by this Indenture and will not have an adverse effect on the exclusion of interest on such Auction Rate Bonds from gross income for federal income tax purposes, (ii) the Trustee shall not have delivered to the Auction Agent by 12:00 noon (New York City time) on the Auction Date for such Auction Period notice that an Insufficient Funds Event has occurred, (iii) Sufficient Clearing Bids exist at the Auction on the Auction Date for such Auction Period, and (iv) the Trustee, the Bond Insurer and the Auction Agent receive by 9:30 a.m. (New York City time) on the first day of such Auction Period, a Bond Counsel Opinion to the effect that the change in the Auction Period is authorized by this Indenture and will not have an adverse effect on the exclusion of interest on such Auction Rate Bonds from gross income for federal income tax purposes. If the condition referred to in (i) above shall not be met, the Auction Rate for the next succeeding Auction Period shall be determined pursuant to the Auction Procedures and the length of the next succeeding Auction Period shall remain unchanged. If any of the conditions referred to in (ii), (iii) or (iv) above shall not be met, the interest rate for the next succeeding Auction Period shall equal the Maximum Auction Rate as determined as of such Auction Date and the length of the next succeeding Auction Period shall remain unchanged.

Section 3.19 **Change of Auction Date by Market Agent.** During an Auction Period, the Market Agent, at the direction of the Issuer, acting at the direction of the University Representative, may change, in order to conform with then-current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date, the Auction Date for all future

Auction Periods to a different day, so long as the first such Auction Date will be a Business Day in the calendar week in which the next succeeding Auction Date is then scheduled to occur. If a change in an Auction Date is undertaken in conjunction with a change in an Auction Period and the conditions for the establishment of such change in Auction Period are not met, the Auction Date may be, and the next succeeding Auction Period may be adjusted to end, on a Business Day in the calendar week in which such Auction Date was scheduled to occur and such Auction Period was scheduled to end to accommodate the change in the Auction Date. The Market Agent shall communicate its determination to change an Auction Date by means of a written notice delivered at least ten (10) days prior to the Auction Date immediately preceding such Auction Date to the Issuer, the Trustee, the Auction Agent, the Broker-Dealer and the Securities Depository which shall state (a) the determination of the Market Agent to change the Auction Date, (b) the new Auction Date and (c) the date on which such Auction Date shall be changed. Notice of a change in the Auction Date may be in substantially the form attached hereto as, or containing substantially the information contained in, **Exhibit K** attached hereto.

Section 3.20 **Auction Agent**. (a) The Bank of New York is hereby appointed as Initial Auction Agent to serve as agent for the Issuer in connection with Auctions. The Trustee and the Issuer will, and the Trustee is hereby directed to, enter into the Initial Auction Agency Agreement with The Bank of New York, as the Initial Auction Agent. Any Substitute Auction Agent shall be (i) a bank, national banking association or trust company duly organized under the laws of the United States of America or any state or territory thereof and having a combined capital stock or surplus of at least Fifty Million Dollars (\$50,000,000), or (ii) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least Fifty Million Dollars (\$50,000,000), and, in either case, authorized by law to perform all the duties imposed upon it hereunder and under the Auction Agency Agreement and acceptable to the Bond Insurer. The Auction Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least ninety (90) days' notice to the Trustee and the Issuer. The Auction Agent may be removed at any time by the Trustee upon the written direction of the University Representative or the Bond Insurer and the Bondowners of sixty-six and two thirds percent (66 2/3%) of the aggregate principal amount of the Auction Rate Bonds then Outstanding, and if by such Bondowners, by an instrument signed by such Bondowners or their attorneys and filed with the Auction Agent, the Issuer and the Trustee upon at least ninety (90) days' notice. Neither resignation nor removal of the Auction Agent pursuant to the preceding two sentences shall be effective until and unless a Substitute Auction Agent has been appointed and has accepted such appointment. If required by the Issuer or the University Representative, a Substitute Auction Agency Agreement acceptable to the Bond Insurer shall be entered into with a Substitute Auction Agent. Notwithstanding the foregoing, the Auction Agent may resign if, within forty-five (45) days after notifying the Trustee, the Bond Insurer and the Issuer in writing that it has not received payment of any Auction Agent Fee due it in accordance with the terms of the Auction Agency Agreement, the Auction Agent does not receive such payment.

(b) If the Auction Agent shall resign or be removed or be dissolved, or if the property or affairs of the Auction Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, the Issuer at the direction of the University Representative, shall appoint a Substitute Auction Agent.

(c) The Auction Agent is acting as agent for the Issuer in connection with Auctions. In the absence of bad faith, negligent failure to act or negligence on its part, the Auction Agent shall not be liable for any action taken, suffered or omitted or any error of judgment made by it in the performance of its duties under the Auction Agency Agreement and shall not be liable for any error of judgment made in good faith unless the Auction Agent shall have been negligent in ascertaining (or failing to ascertain) the pertinent facts.

Section 3.21 **Conversion to Fixed Rate.** (a) With the written consent of the Bond Insurer or, in lieu thereof, a firm underwriting commitment, the Issuer, acting at the direction of the University Representative, hereby reserves the right to fix the rate of interest per annum that the Auction Rate Bonds shall bear for the balance of the term thereof. Such Auction Rate Bonds shall cease to bear interest at the Auction Rate then borne thereby and shall bear interest at a Fixed Rate until maturity upon the election by the Issuer to exercise its option to convert as herein provided, subject to the terms and conditions hereof (the date on which such Fixed Rate Conversion shall take effect being herein called the "***Fixed Rate Conversion Date***"). The option to convert may be exercised at any time through a written notice given by the Issuer not less than thirty-five (35) nor more than forty-five (45) days prior to the proposed Fixed Rate Conversion Date to (i) the Trustee, (ii) the Bond Insurer and the Remarketing Agent, (iii) the Auction Agent, the Market Agent, and the Securities Depository, in substantially the form attached hereto as, or containing substantially the information contained in, **Exhibit G**, and such Fixed Rate Conversion shall be subject to the conditions set forth in such notice. The Fixed Rate Conversion Date may only be the last Interest Payment Date of an Auction Period. A notice of a Fixed Rate Conversion shall be effective only if it shall be accompanied by (i) the form of opinion Bond Counsel expects to give on the Fixed Rate Conversion Date addressed to the Issuer, the Trustee and the Bond Insurer to the effect that the establishment of the Fixed Rate is authorized by this Indenture and will not have an adverse effect on the exclusion of interest on such Auction Rate Bonds from gross income for federal income tax purposes, and (ii) written confirmation from the Rating Agencies of the ratings on the Series 2004 Bonds after the implementation of such Fixed Rate Conversion.

Section 3.22 **Conversion to Variable Rate.** (a) In the event that the Issuer, upon the written request of the University Representative and with the written consent of the Bond Insurer, shall elect to change the interest rate on all or any portion of the Series 2004B Bonds from an Auction Rate to a Variable Rate, the Issuer and the Trustee shall execute and deliver a supplemental Indenture setting forth procedures to be applicable during a Variable Rate Period for (i) purchase of Series 2004B Bonds on demand of the owners thereof, (ii) mandatory tender for the purchase of Series 2004B Bonds, (iii) remarketing of the Series 2004B Bonds, (iv) effective conversion to a Fixed Rate or an Auction Rate, and (v) the issuance and delivery of one or more notices of change in interest rate.

(b) Following the delivery of a Notice of Variable Rate Conversion, all or any specified principal amount of the Series 2004B Bonds will bear interest beginning on the Interest Payment Date or Dates identified in the Notice of Variable Rate Conversion at a Variable Rate.

(c) In the event that the Issuer shall elect to change the Interest Rate on all or a portion of the Series 2004B Bonds from an Auction Rate to a Variable Rate, the Issuer shall give written notice not less than thirty-five (35) nor more than forty-five (45) days prior to the proposed

Variable Rate Conversion Date to the Trustee, the Bond Insurer, the Remarketing Agent, the Auction Agent, the Market Agent and the Securities Depository, in substantially the form attached hereto as **Exhibit L**, and such Variable Rate Conversion shall be subject to the conditions set forth in such notice. The Series 2004B Bonds being converted to a Variable Rate are subject to mandatory tender for purchase on the Variable Rate Conversion Date. In the event that some Series 2004B Bonds shall be converted to a Variable Rate and others will remain at an Auction Rate, then (but in no event less than fifteen (15) days prior to such Variable Rate Conversion Date) the Trustee shall select by lot from among the Series 2004B Bonds the principal amounts of Series 2004B Bonds to be converted to a Variable Rate. The Trustee shall give notice not less than fifteen (15) days prior to the Variable Rate Conversion Date by first class mail to the owners of the Series 2004B Bonds so selected (or to all of the owners of Series 2004B Bonds if all of such Series 2004B Bonds are to be converted to a Variable Rate) which notice shall be in substantially the form of **Exhibit L** hereto and shall state, that (i) the Series 2004B Bonds in the principal amount designated shall be in a Variable Rate Period and shall bear interest during the initial Variable Rate Determination Period at the lowest rate necessary, in the sole judgment of the Remarketing Agent, to remarket Series 2004B Bonds in a Variable Rate Determination Period at par; and (ii) that Series 2004B Bonds in a Variable Rate Period shall bear interest, after the initial Variable Rate Determination Period, determined in the manner set forth in Section 3.22(d) hereof.

(d) Following notification of the Initial Variable Rate as referenced in subsection (c) above, Series 2004B Bonds in a Variable Rate Period will bear interest at a Variable Rate determined in the following manner. On the Variable Rate Announcement Date, the Remarketing Agent will determine the lowest rate necessary, in the sole judgment of the Remarketing Agent, to remarket the Variable Rate Bonds at par on the first day of the Variable Rate Determination Period to which the determination pertains (or if such day is not a Business Day, on the next succeeding day in such Variable Rate Determination Period which is a Business Day) and shall promptly advise the Trustee in writing of the Variable Rate to be borne by such Series 2004B Bonds during such Variable Rate Determination Period.

ARTICLE IV

FUNDS AND ACCOUNTS; FLOW OF FUNDS; INVESTMENTS; DEPOSITS; ARBITRAGE; PAYMENTS ON BOND INSURANCE POLICIES

Section 4.1 **Creation and Use of Funds and Accounts.** Upon delivery of and payment for the Series 2004 Bonds, the following special trust funds and accounts shall be established and maintained with the Trustee so long as any Series 2004 Bonds issued under this Indenture are outstanding:

- (i) Bond Proceeds Fund and a Costs of Issuance Account therein;
- (ii) Debt Service Fund, and the following accounts therein:
 - (1) Interest Account
 - (2) Principal Account
- (iii) Project Fund;
- (iv) Debt Service Reserve Fund;
- (v) Replacement Fund;
- (vi) Rebate Fund;
- (vii) Receipts Fund;
- (viii) Capitalized Interest Fund;
- (ix) Refunding Fund; and
- (x) Surplus Fund

Section 4.2 **Bond Proceeds Fund.** The Bond Proceeds Fund shall be used to receive the proceeds of the Series 2004 Bonds other than the premium to be paid to the Bond Insurer in respect of the Bond Insurance Policies which shall be transferred from Morgan Keegan & Company, Inc., the underwriter with respect to the Bonds, directly to the Bond Insurer. On the Closing Date, the Trustee shall disburse amounts held in the Bond Proceeds Fund as follows:

- (a) to the Refunding Fund an amount of proceeds equal to \$15,077,449.53;
- (b) to the Interest Account in the Debt Service Fund that portion of the proceeds of the Series 2004 Bonds, if any, representing accrued interest on the Series

2004 Bonds in an amount specified in the request and authorization delivered pursuant to Section 3.12;

(c) to the Debt Service Reserve Fund an amount of proceeds equal to the Debt Service Reserve Fund Requirement for the Series 2004A Bonds and the Series 2004B Bonds;

(d) to the Capitalized Interest Fund an amount of proceeds equal to \$2,757,568.27

(e) to the Replacement Fund an amount of proceeds equal to \$4,064,825.00;

(f) to retain such sum in the Costs of Issuance Account as shall be specified in the request and authorization delivered pursuant to Section 3.12(f) hereof;

(g) to the Project Fund the balance of the proceeds of the Series 2004 Bonds.

Amounts deposited on the Closing Date into the Costs of Issuance Account of the Bond Proceeds Fund shall be disbursed, pursuant to the written instructions of the Issuer, to pay Costs of Issuance. Any amounts remaining in the Costs of Issuance Account one hundred-eighty (180) days after delivery of the Series 2004 Bonds (and not specifically committed to pay additional Costs of Issuance) shall be deposited into the Project Fund.

Section 4.3 **Debt Service Fund**. The Trustee shall deposit into the applicable account of the Debt Service Fund the amounts required by Section 4.8 of this Indenture.

(a) Moneys on deposit in the Interest Account of the Debt Service Fund shall be used solely to pay the interest on the Series 2004 Bonds as it becomes due and payable, whether on an Interest Payment Date, at maturity or upon acceleration and to reimburse the Bond Insurer for amounts due under the Reimbursement Agreement in respect of interest on the Series 2004 Bonds.

(b) Moneys on deposit in the Principal Account of the Debt Service Fund shall be used solely to pay the principal of the Series 2004 Bonds as it becomes due and payable whether at maturity, upon scheduled sinking fund redemption or upon acceleration and to reimburse the Bond Insurer for amounts due under the Reimbursement Agreement in respect of principal of the Series 2004 Bonds; and, if funds are available for such purpose and at the written direction of the Issuer, as directed by the Board, to effect the redemption of the Series 2004 Bonds prior to their maturity in accordance with the redemption provisions thereof or with Bond Insurer consent the purchase of Series 2004 Bonds prior to their maturity in the open market at a price not in excess of the principal amount thereof, premium, if any, plus accrued interest on the Series 2004 Bonds.

(c) Whenever and to the extent that money on deposit in the Interest Account or the Principal Account is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption

requirements therefor) the Series 2004A Bonds, Series 2004B Bonds and Series 2004C Bonds, the Trustee shall transfer money from the Surplus Fund, the Replacement Fund and the Debt Service Reserve Fund, in that order, and shall give immediate notice to the Bond Insurer.

Section 4.4 **Project Fund**. The Project Fund shall be maintained by the Trustee in trust and shall be used to receive the immediate transfer from the balance of the proceeds of the Series 2004 Bonds as provided in Section 4.2(g) hereof. Moneys in the Project Fund shall be applied to the payment of the Costs of the Facilities pursuant to the procedure established in Section 4.17 hereof and, pending such application, shall be subject to a lien and charge in favor of the Bondholders for the further security of such Bondholders until paid out or transferred as herein provided.

Section 4.5 **Debt Service Reserve Fund**. Moneys on deposit in the Debt Service Reserve Fund shall be maintained in an amount equal to the Debt Service Reserve Fund Requirement, and shall be transferred, in accordance with the priority set out in Section 4.3(c) above, to the Interest Account or the Principal Account of the Debt Service Fund in such amount as shall be necessary to remedy any deficiency therein (taking into account any amounts available therefor in the Surplus Fund and the Replacement Fund) with respect to the Series 2004A Bonds, the Series 2004B Bonds, or any Additional Bonds that are Tax-Exempt Bonds. Whenever the amount in the Debt Service Reserve Fund, together with the amount in the Debt Service Fund, is sufficient to pay in full all outstanding Bonds in accordance with their terms, the funds on deposit in the Debt Service Reserve Fund shall be transferred to the Debt Service Fund and shall be available to pay all outstanding Bonds in accordance with their terms. If the balance of the Debt Service Reserve Fund is greater than the Debt Service Reserve Fund Requirement, all amounts in the Debt Service Reserve Fund in excess of the Debt Service Reserve Fund Requirement shall be transferred to the Interest Account. **Notwithstanding the foregoing, amounts in the Debt Service Reserve Fund will not be available to pay the principal of, or the interest on, the Series 2004C Bonds or any Additional Bonds that are not Tax-Exempt Bonds.**

Section 4.6 **Replacement Fund**. The Replacement Fund shall be maintained with the Trustee and used to fund the cost of replacing any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, fixtures or equipment placed upon or used in connection with the Facilities or as required by Section 4.3(c) hereof. Moneys in the Replacement Fund will also be transferred to the Interest Account and/or the Principal Account of the Debt Service Fund whenever and to the extent that money on deposit in such Accounts, together with money available therefor in the Surplus Fund, is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004 Bonds.

Section 4.7 **Rebate Fund**. Moneys deposited and held in the Rebate Fund shall be used to make all rebate payments owed to the United States under the Code, and shall not be subject to the pledge of this Indenture. The Corporation shall make the calculation(s) required by the Code and the Tax Regulatory Agreement shall direct the Trustee to make deposits to and make disbursements from the Rebate Fund which the Corporation determines are in accordance therewith. The Tax Regulatory Agreement and any provisions of this Indenture governing

deposits to the Rebate Fund may be superseded or amended (except the requirement of annual calculations and deposits to the Rebate Fund, if required) if accompanied by an opinion of Bond Counsel addressed to the Corporation, the Board, the Issuer and the Trustee to the effect that the use of the new Tax Regulatory Agreement will not cause the interest on the Series 2004A Bonds or the Series 2004B Bonds to become includable in gross income of the recipient thereof for federal tax purposes.

Section 4.8 **Receipts Fund**. There shall be deposited into the Receipts Fund all funds received from or paid on behalf of the Board under the Facilities Lease, including (i) daily, all rents, charges and other amounts, held in the deposit account maintained by the Management Company pursuant to Section 3.2(b) of the Management Agreement and any corresponding account held under any subsequent Management Agreement; and (ii) all Lawfully Available Funds from the Board used to make Base Rental Payments pursuant to the Facilities Lease. The University shall make an initial deposit into the Receipts Fund from revenues recognized by the University as of July 1, 2004. Other than transfers pursuant to Section 4.8(e), which will be applied on each Interest Payment Date from funds on hand in the Receipts Fund on such date, Moneys on deposit in the Receipts Fund will be applied by the Trustee on the dates indicated below in the following priority:

(a) At such time as may be required by the Tax Regulatory Agreement but not less often than annually, to the Rebate Fund the amount required to be deposited thereunder;

(b) On the twenty-fifth (25th) day of each month, beginning August 25, 2004, to the Operating Fund (as defined in the Management Agreement) maintained by the Management Company an amount necessary to make the amount in the Operating Fund equal to the Operating Expenses for the next month as shown on the Operating Budget (as defined in the Management Agreement) for such month, as certified by the Management Company;

(c) With respect to the Series 2004A Bonds, the Series 2004B Bonds that bear interest at a Fixed Rate, and the Series 2004C Bonds, on the twenty-fifth (25th) day of each month, commencing August 25, 2004, into the Interest Account of the Debt Service Fund an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004 Bonds on the next February 1 and August 1 or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds on such Interest Payment Date;

(d) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing August 18, 2004, into the Interest Account of the Debt Service Fund an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds on such Interest Payment Date;

(e) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, into the Interest Account of the Debt Service Fund an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds on such Interest Payment Date;

(f) On the twenty-fifth (25th) day of each month, commencing August 25, 2005, into the Principal Account of the Debt Service Fund an amount equal to one-twelfth (1/12th) the principal of the Series 2004 Bonds payable on the next Principal Payment Date;

(g) On the twenty-fifth (25th) day of the month, any amounts due to the Bond Insurer under the Reimbursement Agreement;

(h) On the twenty-fifth (25th) day of each month following any drawing on the Debt Service Reserve Fund in accordance with Section 4.21 hereof, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement within twelve (12) months or (ii) the excess of the Debt Service Reserve Fund Requirement over the amount on deposit in the Debt Service Reserve Fund;

(i) Annually, beginning August 1, 2007, an amount equal to \$100,000 into the Replacement Fund, with such amount increased each year, beginning August 1, 2008 at a rate of 3% annually; or such lesser annual amount as is permitted by the Board of Regents and approved by the Bond Insurer and, in the event that any funds shall have been withdrawn from the Replacement Fund to cure any deficiency in the Interest Account or the Principal Account pursuant to Section 4.3(c) hereof, the amount of such withdrawal;

(j) On the twenty-fifth (25th) day of each month, commencing with the month the Facilities are open for occupancy, an amount equal to the monthly Management Fee for the current Fiscal Year plus any Management Fee for any prior month that remains unpaid; and

(k) Annually on August 1 of each year beginning August 1, 2005 any amounts remaining in the Receipts Fund after making all transfers required to be made on such date under Section 4.8(a) through (j) hereof shall be transferred to the Surplus Fund and applied as set forth in Section 4.25 hereof.

After a Variable Rate Conversion of the Series 2004B Bonds, payments will be made from the Receipts Fund to the Debt Service Fund in accordance with the supplemental indenture executed in connection with such Variable Rate Conversion.

Section 4.9 **Capitalized Interest Fund**. The Capitalized Interest Fund shall be maintained with the Trustee. The Capitalized Interest Fund shall be funded on the date of delivery of the Series 2004 Bonds from the proceeds thereof in the amount of \$2,757,568.27. On each date on which the Trustee is required to transfer moneys in the Receipts Fund to the Interest Account of the Debt Service Fund pursuant to subsections (c), (d), or (e) of Section 4.8 hereof, prior to making any such transfer the Trustee shall transfer amounts on deposit in the Capitalized Interest Fund to the Interest Account of the Debt Service Fund in the amounts required by such subsections or such lesser amount as shall then remain in the Capitalized Interest Fund in accordance with **Exhibit N**, attached hereto. The Trustee shall reduce the amount required to be transferred from the Receipts Fund to the Interest Account of the Debt Service Fund pursuant to subsections (c), (d), or (e) of Section 4.8 hereof by any amounts transferred to the Interest Account of the Debt Service Fund pursuant to the provisions of this Section. Earnings on amounts in the Capitalized Interest Fund shall be retained therein.

Section 4.10 **Surplus Fund**. The Surplus Fund will be maintained with the Trustee. Upon satisfaction of certain performance covenants contained in the Indenture, funds on deposit in the Surplus Fund at the end of any Fiscal Year will be transferred to the University. Until such transfer, moneys in the Surplus Fund will be available to be transferred to the Interest Account and/or the Principal Account of the Debt Service Fund whenever and to the extent that money on deposit in such Accounts is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004 Bonds.

Section 4.11 **Refunding Fund**. The Refunding Fund shall be maintained with the Trustee and used to receive a portion of the proceeds of the Bonds. Pursuant to instructions set forth in Section 3.12(f) hereof, the Trustee shall disburse \$14,590,000 to the Prior Trustee to pay all of the outstanding principal and accrued interest on the Prior Debt and redeem the Prior Debt on September 15, 2004. Any balance of moneys deposited to the Refunding Fund after payment of the Prior Debt shall be transferred to the Project Fund.

Section 4.12 **Investments**. Moneys contained in the funds and accounts held by the Trustee shall be continuously invested and reinvested by the Trustee at the direction of the Corporation, as advised by the Board, in Permitted Investments, to the extent practicable, that shall mature (or be readily convertible to cash) not later than the respective dates, as estimated by the Trustee, when the moneys in said Funds and Accounts shall be required for the purposes intended, and:

(a) No such investment shall be required to be made unless the cash at the time available therefor is at least equal to \$1,000;

(b) The Trustee shall be authorized, to the extent necessary to enable the Trustee to discharge or perform its obligations hereunder, at any one or more times to sell any part or all of the investments whenever it may, for any reason or purpose whatsoever, deem any such sale to be desirable;

(c) Any income derived from and any profit or loss on any such investment of moneys on deposit in any such fund or account shall be credited or debited, as the case

may be, to the respective fund or account in which earned except that if the balance of the Debt Service Reserve Fund is equal to or greater than the Debt Service Reserve Fund Requirement, earnings in the Debt Service Reserve Fund shall be transferred to the Interest Account;

(d) No Permitted Investments in any fund or account may mature beyond the latest maturity date of any Bonds outstanding at the time such Permitted Investments are deposited. For the purposes of this section, the maturity date of repurchase agreements for obligations is the maturity date of such repurchase agreements and not the maturity date of the underlying obligation except as otherwise permitted in writing by the Bond Insurer;

(e) Moneys in the Debt Service Reserve Fund may be invested only in Permitted Investments maturing or redeemable at the option of the holder not later than two (2) years from the date of purchase thereof; provided, however, if moneys in the Debt Service Reserve Fund shall be invested in a guaranteed investment contract the Value of which is equal to the amount available to be withdrawn therefrom, such guaranteed investment contract may have a term of up to ten (10) years; and

(f) No float forward or forward purchase agreement or other arrangement, agreement or financial product may be utilized in connection with the Debt Service Fund the Debt Service Reserve Fund or the Replacement Fund unless the Bond Insurer so permits and the terms thereof (including, without limitation, the parties thereto) are satisfactory to the Bond Insurer and, if satisfactory to the Bond Insurer, such agreements will constitute Permitted Investments.

An Authorized Corporation Representative shall give to the Trustee directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Article and Article V of the Agreement, and the Trustee shall then invest such money under this Section as so directed. The Trustee shall in no event have any liability for any loss resulting from the investment of moneys in accordance with the directions of the Authorized Corporation Representative. The Trustee shall furnish the Issuer annually with a written copy and the Corporation with a written copy for the Board, on at least a monthly basis, of the types, amounts, yield and maturities of all such investments.

Investments shall be valued by the Trustee as frequently as deemed necessary by the Bond Insurer, but not less often than annually, at the Value thereof. Deficiencies in the amount on deposit in any fund or account resulting from a decline in Value shall be restored no later than the succeeding valuation date.

Section 4.13 Depository of Moneys and Security for Deposits. All of the funds and accounts established hereunder shall be special trust accounts held by the Trustee in trust for the benefit of the owners of the Series 2004 Bonds and shall not be subject to lien or attachment by any creditors of the Trustee, the Issuer, the Corporation, or the Board. Uninvested sums in these funds and accounts shall be continually secured as are deposits of uninvested sinking funds of

political subdivisions of the State or in the manner prescribed by federal law for securing any federal trust funds as may be prescribed from time to time by the Comptroller of the Currency.

Section 4.14 **Arbitrage**. Notwithstanding all the provisions hereof, the Issuer shall not direct the investment of moneys in the various funds and accounts created hereunder in a manner which would result in the loss of exclusion from gross income of interest on the Series 2004A Bonds and Series 2004B Bonds for federal income tax purposes or in such manner which would result in the Series 2004A Bonds, Series 2004B Bonds, or any Additional Bonds that are Tax-Exempt Bonds becoming "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 4.15 **Payments From Project Fund**. Payment of the Costs of the Facilities shall be made from the Project Fund. All payments from the Project Fund shall be subject to the provisions and restrictions set forth in this Article, and the Issuer covenants that it will not cause or permit to be paid from the Project Fund any sums except in accordance with such provisions and restrictions.

Moneys in the Project Fund shall be used to pay the Costs of the Facilities described in Exhibit A to the Agreement; provided that if an Event of Default under the Agreement or Indenture has occurred and is continuing, the Trustee shall transfer moneys in the Project Fund to the Debt Service Fund for the purpose of paying the principal of, premium, if any, and interest on the Bonds.

Section 4.16 **Costs of the Facilities**. For the purpose of this Indenture, the Costs of the Facilities shall embrace such costs as are eligible costs within the purview of the Act and the Code and, without intending thereby to limit or restrict any proper definition of such Costs, shall include the following:

- (a) obligations incurred by the Corporation for the benefit of the Board with respect to the lease of the property and the demolition of certain existing facilities and the renovation, development and construction of the Facilities, for labor, materials and services provided by contractors, builders and others in connection with the construction and equipping of the Facilities, machinery and equipment, necessary water and sewer lines and connections, utilities and landscaping, the restoration or relocation of any property damaged or destroyed in connection with such construction, the removal, demolition or relocation of any structures, and the clearing of lands and the reasonably allocable expenses of the Corporation with respect to the Facilities;
- (b) the cost of acquiring by purchase, if deemed expedient, or leasing such lands, property, rights, rights-of-way, servitudes, easements, franchises and other interests as may be deemed necessary or convenient by the Authorized Corporation Representative for the construction and equipping of the Facilities, the cost of options and partial payments thereon, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved and the amount of any damages incident to or consequent upon the construction of the Facilities;

(c) interest on the Bonds prior to the establishment of the completion date of the Facilities pursuant to Section 3.7 of the Agreement, and the reasonable fees and expenses, including counsel fees, of the Trustee for its services prior to and during construction, and premiums on insurance, if any, in connection with the Facilities;

(d) the cost of borings and other preliminary investigations, if any, to determine foundation or other conditions, expenses necessary or incident to determining the feasibility or practicability of constructing the Facilities and fees and expenses of engineers, architects, management consultants for making studies, surveys and estimates of cost and of revenues and other estimates, costs of environmental surveys, reports and remediation, and fees and expenses of engineers and architects for preparing plans and specifications and supervising construction as well as for the performance of all other duties of engineers and architects set forth herein in relation to the acquisition and construction of the Facilities and the issuance of the Bonds therefor;

(e) all other items of expense not elsewhere in this Section specified incident to the lease of the property and the construction and equipping of the Facilities and the financing thereof, including professional fees, moving expenses, the acquisition of lands, property, rights, rights-of-way, easements, franchises and interest in or relating to lands, including title insurance, cost of demand surveys, other surveys and other expenses in connection with such acquisition, legal fees and expenses, and expenses of administration and overhead, all properly chargeable, in the opinion of the Authorized Corporation Representative, to the acquisition, construction and equipping of the Facilities; and

(f) any obligation or expense heretofore or hereafter incurred or paid by the Corporation for or in connection with any of the foregoing purposes.

Section 4.17 **Requisitions from the Project Fund.** Payments from the Project Fund shall be made in accordance with the provisions of this Section. In connection with a payment from the Project Fund, there shall be filed with the Trustee a requisition, substantially in the form of **Exhibit B** attached hereto and made a part hereof, signed by an Authorized Corporation Representative, stating:

(a) the item number of each such payment,

(b) the name of the person, firm or corporation to whom each such payment is due, or, if such payment has been made by the Corporation, that the Trustee is to reimburse the Corporation directly for such payment,

(c) the respective amounts to be paid,

(d) the purpose by general classification for which each obligation to be paid was incurred,

(e) that obligations in the stated amounts have been incurred by the Corporation and are either (i) presently due and payable or (ii) have been paid by the

Corporation and that each item thereof is a proper charge against the Project Fund and has not been the subject of any prior requisition,

(f) that such requisition contains no item representing payment on account of any retainage to which the Corporation is entitled at the date of such requisition, and

(g) a certification that all work, materials, supplies and equipment which are the subject of such requisition have been performed or delivered and are in accordance with the description of the Facilities referred to above.

Upon receipt of each requisition and accompanying certificate and information, the Trustee shall pay the obligations set forth in such requisition out of the money in the Project Fund, and each such obligation shall be paid by check signed by one or more officers or employees of the Trustee designated for such purpose by the Trustee or by wire transfer or credit to an account of the Corporation held by the Trustee or in such other manner as may be agreed on by the Corporation and the Trustee. In making such payments the Trustee may rely upon such requisitions. If for any reason the Corporation should decide prior to the payment of any item in a requisition not to pay such item, it shall give written notice of such decision to the Trustee and thereupon the Trustee shall not make such payment.

Section 4.18 **Reliance upon Requisitions.** All requisitions and opinions received by the Trustee as conditions of payment from the Project Fund may be relied upon by the Trustee and shall be retained by the Trustee, subject at all reasonable times to examination by the Issuer, the Board and the Corporation.

Section 4.19 **Completion of the Facilities and Disposition of Project Fund Balance.** When the construction of the Facilities shall have been completed, which fact shall be evidenced to the Trustee by a certificate of an Authorized Corporation Representative delivered to the Trustee pursuant to Section 3.7 of the Agreement, the balance in the Project Fund shall be transferred by the Trustee to the Interest Account and/or the Principal Account of the Debt Service Fund (subject to the provisions of Section 4.3 hereof) and applied first to any payments owed pursuant to Section 4.8(c), (d), (e) or (f) hereof, within one (1) year of the completion date, such amounts to be paid at the times set forth in Section 4.8 thereof, and then, on such one (1) year anniversary, if any funds remain, to redeem the Bonds in accordance with the provisions of Section 3.4 hereof. In the event that Additional Bonds for any subsequent phase of the Facilities are issued after the completion of all previous phases of the Facilities, but prior to such one (1) year anniversary, any amounts transferred from the Project Fund and still in the Debt Service Fund shall be transferred back to the Project Fund and shall be used to fund such subsequent phase of the Facilities.

Section 4.20 **Amounts Remaining in Funds; Releases.** It is agreed by the parties hereto that any amounts remaining in the Funds and Accounts existing pursuant to this Indenture upon the expiration or sooner cancellation or termination of the Agreement, as provided therein, after payment in full of all Outstanding Bonds (or provisions for the payment thereof having been made in accordance with Article XII of this Indenture), and the fees, charges and expenses of the Issuer and the Trustee and all other amounts required to be paid under the Agreement and

under this Indenture, and under the Reimbursement Agreement other than amounts payable as arbitrage rebate under Section 148(f) of the Code, shall belong to and be paid to the University.

Section 4.21 **Application of Money in the Debt Service Reserve Fund.** (a) The Debt Service Reserve Fund shall be funded on the date of delivery of the Series 2004 Bonds in an amount equal to the Debt Service Reserve Fund Requirement. If any Additional Bonds that are Tax-Exempt Bonds are issued, the Issuer shall cause to be deposited in the Debt Service Reserve Fund, an amount necessary to make the amount on deposit in the Debt Service Reserve Fund equal to the Debt Service Reserve Fund Requirement.

(b) The Trustee shall transfer money from the Debt Service Reserve Fund to the Interest Account and the Principal Account of the Debt Service Fund to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004A Bonds, the Series 2004B Bonds, and any Additional Bonds that are Tax-Exempt Bonds, whenever and to the extent that the money on deposit in said accounts (together with any amounts available therefor in the Surplus Fund and the Replacement Fund) is insufficient for such purposes. Amounts in the Debt Service Reserve Fund shall not be used to pay interest on or principal of (whether at maturity, by acceleration, or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004C Bonds or any Additional Bonds that are not Tax-Exempt Bonds. If the Trustee applies any moneys in the Debt Service Reserve Fund to the payment of principal of and interest on the Bonds, the Trustee shall give immediate notice to the Bond Insurer.

(c) If the money held in the Debt Service Reserve Fund, including interest earnings, exceeds the Debt Service Reserve Fund Requirement an amount equal to such excess shall be transferred by the Trustee to the Interest Account of the Debt Service Fund unless Additional Bonds have been issued, in which case, at the direction of the Issuer, the excess moneys in the Debt Service Reserve Fund shall, at any time prior to completion of construction of the Facilities, as certified pursuant to Section 4.19 of this Indenture, be transferred to the Project Fund. The Trustee shall not be required to liquidate any investment before its maturity to make such transfer. Whenever the amount on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Fund Requirement, the Trustee shall notify the Issuer, the Bond Insurer and the Corporation of the amount of such deficiency and such deficiency will be remedied, as provided in Section 4.8(h) hereof. Upon notification the Corporation shall deliver to the Trustee an amount sufficient to cure the deficiency in accordance herewith and the Agreement.

(d) The Issuer may, at the direction of the Corporation, as advised by the Board, and with the prior written consent of the Bond Insurer, at any time, deposit with the Trustee, to replace cash in the Debt Service Reserve Fund (in which case the replaced cash shall be paid to the University) or to meet the requirements herein that it deposit additional amounts in the Debt Service Reserve Fund, a Debt Service Reserve Fund Investment. Any bank issuing a letter of credit must have a rating on its unsecured debt, or on debt secured by its letters of credit and which ratings are based solely on the bank's letter of credit, of "AA-" or better by S&P and "Aa3" or better by Moody's. Any insurance company issuing a surety bond must have a claims-paying ability rating of "AAA" by S&P and "Aaa" by Moody's. If such Debt Service Reserve Fund Investment expires prior to fifteen (15) days after the final maturity of the Series 2004 Bonds, it must provide, that if not renewed within fifteen (15) days prior to its expiration date in

an amount equal to the undrawn amount thereof (other than because of a reduction in the Debt Service Reserve Fund Requirement or the deposit of cash in the Debt Service Reserve Fund to replace it), the Trustee may draw the full amount of such Debt Service Reserve Fund Investment. The Trustee shall draw down the full amount of such Debt Service Reserve Fund Investment and deposit such amount in the Debt Service Reserve Fund fifteen (15) days prior to expiration of such Debt Service Reserve Fund Investment if it is not renewed as provided for in the preceding sentence. The Debt Service Reserve Fund Investment must be able to be drawn upon at any time that cash could be withdrawn from the Debt Service Reserve Fund. Prior to accepting any such Debt Service Reserve Fund Investment, the Trustee, the Corporation, the Board, the Issuer and the Bond Insurer must receive a Bond Counsel opinion that such acceptance and any payment of funds in the Debt Service Reserve Fund to the Corporation is authorized by this Indenture and will not adversely affect the exclusion of interest on the Series 2004A Bonds, the Series 2004B Bonds, or any Additional Bonds that are Tax-Exempt Bonds from gross income for purposes of federal income taxation. If a Debt Service Reserve Fund Investment is deposited in the Debt Service Reserve Fund in lieu of cash, the cash amount contained in the Debt Service Reserve Fund shall be transferred to the Replacement Fund.

If a disbursement is made under a surety bond deposited in the Debt Service Reserve Fund, the Corporation shall be obligated to either reinstate the maximum limits of such surety bond immediately following such disbursement in twelve (12) equal monthly installments or as required by the Issuer of the Debt Service Reserve Fund Investment in an amount equal to the Debt Service Reserve Fund Requirement or deposit into the Debt Service Reserve Fund funds in the amount of the disbursement made under the Debt Service Reserve Fund Investment, or a combination of such alternatives as shall equal the Debt Service Reserve Fund Requirement.

Section 4.22 **Application of Insurance Proceeds; Condemnation Award.** (a) If all or any portion of the Facilities is damaged or destroyed by a Casualty (as defined in the Facilities Lease), or is taken by Expropriation (as defined in the Facilities Lease) proceedings, the Corporation shall, upon receipt of notice from the University and/or the Board instructing the Corporation to do so, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. The proceeds of any insurance, including the proceeds of any self-insurance through ORM, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in a special account to be established upon receipt of any such funds and held by the Trustee in trust or in the case of self insurance through ORM, as set forth in paragraph (b) below; and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation as advised by the Board stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such

written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee to the Board.

In the event the University decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation and including any portion of such payments attributable to the Board's interest) shall be paid to the Trustee and applied to the prepayment of the Series 2004 Bonds in accordance with the terms of this Indenture.

(b) In the event ORM insures the Facilities, the Board shall cause the Corporation to use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 4.23 **Application of Money in Replacement Fund.** (a) The Trustee shall, in accordance with Section 4.2 hereof, deposit an amount equal to the Replacement Fund Requirement into the Replacement Fund on the Closing Date.

All moneys in the Replacement Fund shall be held for the benefit of the Board through the Corporation, are not pledged under this Indenture and may be drawn on and used by the Corporation or the Board to (i) replace any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, equipment, fixtures and other property owned by the Board or the Corporation and located on the Facilities and (ii) maintain the Facilities and to make all alterations, repairs, restorations and replacements to the Facilities as and when needed to preserve the Facilities in good working order, condition and repair, each as required by the Facilities Lease. Withdrawals from the Replacement Fund for the purposes set forth above shall be made by the Trustee upon its receipt of a requisition from the University or the Corporation substantially in the form attached hereto as **Exhibit C**. Moneys in the Replacement Fund may also be drawn by the Trustee and transferred to the Debt Service Fund if amounts on deposit therein, together with amounts available therefor in the Surplus Fund, are insufficient to pay debt service on the Bonds on any Interest Payment Date or Principal Payment Date.

(b) Any moneys remaining in the Replacement Fund immediately prior to the time all of the Bonds are paid, or provision for their payment is made in accordance with Article XII hereof shall, at the option of the University, be used, together with amounts held in the Debt Service Reserve Fund, to pay in full all outstanding Bonds in accordance with their terms or shall be paid to the University.

Section 4.24 **Application of Moneys in the Rebate Fund.** Moneys in the Rebate Fund shall be used to make any rebate payments required to be made to the United States under the

Code. The Rebate Fund shall be held for the sole benefit of the United States of America and is not pledged under this Indenture. Moneys required to be paid to the United States shall be deposited in the Rebate Fund by the Board as Base Rental under the Facilities Lease as required thereby and by this Indenture.

Section 4.25 Application of Money in the Surplus Fund.

(a) Amounts deposited into the Surplus Fund shall be retained in the Surplus Fund until an amount equal to ten percent (10%) of the Outstanding principal amount of the Series 2004C Bonds has been accumulated therein. Funds on deposit in the Surplus Fund at the end of any Fiscal Year may be transferred to the University on the date described below if (i) the Debt Service Coverage Ratio for the Facilities was 1.10:1.00 or greater for such Fiscal Year as evidenced by the audited financial statements for such Fiscal Year and (ii) neither the Corporation or the Board are in default under the financing documents on the date of transfer to the University. Upon receipt of the audited financial statements for such Fiscal Year, provided that the above described conditions have been met, then at the written instruction of the University Representative, the Trustee shall transfer all of the amounts in the Surplus Fund on the last day of the immediately preceding Fiscal Year to the University, but only to the extent of funds in the Surplus Fund that exceed ten percent (10%) of the Outstanding principal amount of the Series 2004C Bonds on the date of such transfer to the University.

(b) To the extent that there are insufficient funds in the Receipts Fund to make any of the transfers to the various funds and accounts required under Section 4.8(a) through (j) hereof on the dates such transfers are required to be made; any amounts contained in the Surplus Fund shall be transferred to such funds and accounts, in the priority set forth in Section 4.8 hereof, to make up for such deficiency.

Section 4.26 Payments on Bond Insurance Policies.

A. In the event that, on the second Business Day, and again on the Business Day, prior to the payment date on the Bonds (a "Bond Payment Date"), the Trustee has not received sufficient moneys to pay all principal of and interest on the Bonds due on the second following or following, as the case may be, Business Day, the Trustee shall immediately notify the Bond Insurer or its designee on the same Business Day by telephone or telegraph, confirmed in writing by registered or certified mail, of the amount of the deficiency.

B. If the deficiency is made up in whole or in part prior to or on the payment date, the Trustee shall so notify the Bond Insurer or its designee.

C. In addition, if the Trustee has actual knowledge that any Bond Owner has been required to disgorge payments of principal or interest on the Bonds to a trustee in Bankruptcy or creditors or others pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes a voidable preference to such Bondholder within the meaning of any applicable bankruptcy laws, then the Trustee shall notify the Bond Insurer or its designee of such fact by telephone or telegraphic notice, confirmed in writing by registered or certified mail.

D. The Trustee is hereby irrevocably designed, appointed, directed and authorized to act as attorney-in-fact for holders of the Bonds as follows:

1. If and to the extent there is a deficiency in amounts required to pay interest on the Bonds, the Trustee shall (a) execute and deliver the U.S. Bank Trust National Association, or its successors under the Bond Insurance Policies (the "Insurance Trustee"), in form satisfactory to the Insurance Trustee, an instrument appointing the Bond Insurer as agent for such Bondholders in any legal proceeding related to the payment of such interest and an assignment to the Bond Insurer of the claims for interest to which such deficiency relates and which are paid by the Bond Insurer, (b) receive as designee of the respective Bondholders (and not as Trustee) in accordance with the tenor of the Bond Insurance Policies payment from the Insurance Trustee with respect to the claims for interest so assigned, and (c) disburse the same to such respective Bondholders; and

2. If and to the extent of a deficiency in amounts required to pay principal of the Bonds, the Trustee shall (a) execute and deliver to the Insurance Trustee in form satisfactory to the Insurance Trustee an instrument appointing the Bond Insurer as agent for such Bondholder in any legal proceeding relating to the payment of such principal and an assignment to the Bond Insurer of any of the Bonds surrendered to the Insurance Trustee of so much of the principal amount thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be delivered only if payment from the Insurance Trustee is received), (b) receive as designee of the respective Bondholders (and not as Trustee) in accordance with the tenor of the Bond Insurance Policies payment therefor from the Insurance Trustee, and (c) disburse the same to such Bondholders.

E. Notwithstanding anything herein to the contrary, in the event that principal and/or interest on the Bonds or a series of Bonds is paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Bonds or series of Bonds shall remain Outstanding for all purposes and the Bond Insurer shall be subrogated to the rights of the owners of such Bonds.

F. The Bond Insurer shall have the right to consent in lieu of the owners of Bonds to all amendments to this Indenture, as long as the Bond Insurer is not in default on its obligations under the Bond Insurance Policies. Copies of any such amendments which have been consented to by the Bond Insurer shall be sent to Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

G. (i) The Bond Insurer shall receive copies of all notices required to be delivered to Bondholders and, on an annual basis, copies of the University's audited financial statements.

(ii) Any notice that is required to be given to a holder a Bond or to the Trustee pursuant to the Indenture shall also be provided to the Bond Insurer.

H. The Issuer agrees to reimburse the Bond Insurer, but solely from the Trust Estate, immediately and unconditionally upon demand, to the extent permitted by law, for all reasonable expenses, including attorneys' fees and expenses, incurred by the Bond Insurer in connection with (i) the enforcement by the Bond Insurer of the Bonds, or the preservation or defense of any rights of the Bond Insurer, under this Indenture, the Agreement and any other document executed in connection with the issuance of the Bonds, and (ii) any consent, amendment, waiver or other action with respect to this Indenture, the Agreement or any related document, whether or not granted or approved, together with interest on all such expenses from and including the date incurred to the date of payment at Citibank's Prime Rate plus 3% or the maximum interest rate permitted by law, whichever is less. In addition, the Bond Insurer reserves the right to charge a fee in connection with its review of any such consent, amendment or waiver, whether or not granted or approved.

I. The Issuer agrees not to use the Bond Insurer's name in any public document including, without limitation, a press release or presentation, announcement or forum without the Bond Insurer's prior consent. In the event that the Issuer is advised by counsel that it has a legal obligation to disclose the Bond Insurer's name in any press release, public announcement or other public document, the Issuer shall provide the Bond Insurer with at least three (3) business days' prior written notice of its intent to use the Bond Insurer's name together with a copy of the proposed use of the Bond Insurer's name and of any description of a transaction with the Bond Insurer and shall obtain the Bond Insurer's prior consent as to the form and substance of the proposed use of the Bond Insurer's name and any such description.

J. The Issuer shall not enter into any agreement nor shall it consent to or participate in any arrangement pursuant to which Bonds are tendered or purchased for any purpose other than the redemption and cancellation or legal defeasance of such Bonds without the prior written consent of the Bond Insurer.

ARTICLE V

ADDITIONAL BONDS

Section 5.1 **Additional Bonds.** (a) Additional Bonds may be issued in one or more series by the Issuer at the request of the Corporation as advised by the Board under a supplement to this Indenture to pay all or part of the additional cost of the Facilities, including, but not limited to, the costs of Phase Three of the Facilities, so long as:

(i) No Event of Default under this Indenture has occurred and is then continuing and the Issuer shall have approved the issuance of such additional bonds; and

(ii) There shall have been filed with the Trustee an opinion of an attorney or firm of attorneys generally recognized as having expertise in matters relating to municipal bonds to the effect that the exclusion from "gross income" for federal income tax purposes of the interest on the Bonds then outstanding under this Indenture shall not be adversely affected.

Such series of Additional Bonds shall be appropriately designated, shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate then permitted by law, shall be numbered, shall have such paying agents and shall have such maturities and redemption provisions, all as may be provided in the supplement to this Indenture or the separate indenture authorizing the issuance of such series of Additional Bonds. It is anticipated that Additional Bonds will be issued hereunder to finance phase three of the Facilities.

The written consent of the Bond Insurer shall not be required in connection with the issuance of such Additional Bonds, but the Bond Insurer shall have the right to review and approve the documentation prepared in connection with the issuance of such Additional Bonds to ensure that such documentation is as contemplated by this Indenture and does not adversely affect the rights of the Bond Insurer under this Indenture in a manner not contemplated hereby.

(b) Additional Bonds may be issued under this Indenture for any other purpose with the prior written consent of the Bond Insurer.

Section 5.2 **Refunding.** Refunding Bonds may be issued under and secured by a supplement to this Indenture for the purpose of providing funds for the refunding of the Bonds and Additional Bonds; provided that if Refunding Bonds are issued other than for the purpose of realizing interest savings, the Bond Insurer's consent in writing must be obtained prior to the issuance of such Additional Bonds and the execution of a Supplemental Indenture in accordance with Section 10.1(d) hereof.

Section 5.3 **Additional Bonds and Refunding Bonds.** The Bond Insurer shall receive copies of any disclosure documents circulated with respect to such Additional Bonds and Refunding Bonds.

ARTICLE VI

COSTS OF ISSUANCE

Section 6.1 **Payment of Costs of Issuance from Bond Proceeds Fund.** There shall be paid into the Costs of Issuance Account in the Bond Proceeds Fund the amounts required to be so paid from Series 2004 Bond proceeds pursuant to Section 4.2(f) of this Indenture; and such amounts shall be applied to the payment of all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Series 2004 Bonds including, but not limited to, publication costs, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, the Issuer or any other fiduciary, legal fees and charges, fees and disbursements of consultants and professionals and any other cost, charge or fee in connection with the original sale and issuance of the Series 2004 Bonds, including, the premium payable for the Bond Insurance Policies. Any additional costs of issuance shall be paid solely by the Corporation. The Trustee shall make payments from the Costs of Issuance Account upon receipt of statements from the parties entitled to be paid therefrom accompanied by a written request of the Issuer and the University directing the Trustee to pay such statements. Any amounts in the Costs of Issuance Account remaining after payment in full of all of the expenses and costs of issuance of the Series 2004 Bonds shall be transferred to the Project Fund.

ARTICLE VII

ENFORCEMENT OF AGREEMENT AND FACILITIES LEASE

Section 7.1 **Assignment of Agreement and Facilities Lease.** The Issuer has assigned all of its right, title and interest in, to and under the Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), including the interest of the Issuer in and to the Facilities Lease assigned by the Corporation to the Issuer thereunder (except for payments of Additional Rentals made thereunder), to the Trustee as security for the Bonds and hereby agrees that the Agreement and the Facilities Lease may be enforced by the Trustee and/or the owners of the Bonds issued hereunder in accordance with the terms hereof and thereof. Notwithstanding such assignment, the Issuer agrees to cause the Corporation to comply with the terms contained in the Agreement and the Facilities Lease and the rights of the Bondholders and the Trustee shall be governed by the provisions of this Indenture, the Agreement and the Facilities Lease.

Section 7.2 **Trustee or Bondholders to Enforce Agreement and Facilities Lease.** The Trustee may, and upon request of the Bond Insurer or the owners of a majority in aggregate principal amount of the Bonds then outstanding shall, subject to the provisions of Section 8.11 and Article IX hereof, strictly and promptly enforce the provisions of the Agreement and the Facilities Lease so long as any of the Bonds remain outstanding under this Indenture. All rights of action (including the right to file proof of claims) to enforce the Agreement and the Facilities Lease under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee for the Bondholders without the necessity of joining as plaintiffs or defendants any of the Bondholders.

ARTICLE VIII

EVENTS OF DEFAULT; REMEDIES

Section 8.1 **No Extension of Time for Payment of Principal, Premium or Interest.** The Trustee shall not be authorized to extend the time for any payment of principal, premium or interest without the prior written consent of or authorization by the owner of the Bonds so affected.

Section 8.2 **Events of Default.** Each of the following events is hereby declared to be an "Event of Default":

- (a) The payment of any installment of interest on any of the Bonds shall not be made when the same shall become due and payable;
- (b) The payment of the principal of or premium, if any, on any of the Bonds shall not be made when the same shall become due and payable, whether at maturity or by proceedings for redemption or by acceleration or otherwise;
- (c) An "Event of Default" under Article IX of the Agreement shall have occurred;
- (d) A default shall occur under Section 21 of the Facilities Lease;
- (e) Default by the Issuer in the due and punctual performance of any other of the covenants, conditions, agreements or provisions contained in the Bonds or in this Indenture on the part of the Issuer to be performed, if such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer, the Board, the Bond Insurer and the Corporation by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the owners of not less than a majority in principal amount of the Bonds then outstanding. Such default shall not become an Event of Default if said default be of the nature that (i) it cannot be corrected within the thirty (30) day period after receipt of notice, but the Issuer (or the Corporation pursuant to the provisions of Section 8.14 of this Indenture) promptly shall institute and diligently pursue corrective action until such default is cured, or (ii) the Trustee shall determine that such default is not curable but such default does not affect the validity or enforceability of the Bonds, this Indenture or the Agreement, an event of nonperformance shall not have occurred under the Agreement (other than as a result of the cross-default provisions), and such default does not impair the security or the obligations provided for or under the Bonds, this Indenture or the Agreement, and (iii) the Bond Insurer shall have consented to such event not being an Event of Default.

The word "default" as used herein means failure of performance when due, exclusive of any period of grace, if any, allowed to correct any such failure. In addition, in determining whether a default in the payment of the principal of, premium, if any, or interest on the Bonds

has occurred or whether a payment of Bonds has been made hereunder, no effect shall be given to the payments made under the Bond Insurance Policies.

For all purposes of this Article VIII (other than Section 8.13 hereof), the Bond Insurer shall be deemed to be the sole owner of the Bonds it has insured for so long as it has not failed to comply with its payment obligations under the Bond Insurance Policies, and the Bond Insurer shall be entitled to (i) notify the Trustee of the occurrence of an Event of Default hereunder, (ii) request that the Trustee intervene in judicial proceedings that affect the Bonds or the security therefor, (iii) direct all remedies in the Event of Default, (iv) be recognized as the owner of each Bond which it insures for the purposes of exercising all rights and privileges available to Bondholders, (v) have the right to institute any suit, action, or proceeding at law or in equity under the same terms as a Bondholder in accordance with the provisions of the Indenture or each Bond for which it insures.

Notwithstanding anything to the contrary, any acceleration of principal payments must be subject to the Bond Insurer's prior written consent.

Section 8.3 **Remedies.** Upon the occurrence of an Event of Default, the Issuer, the Trustee and, subject to Sections 8.10 and 8.11 and all rights granted to the Bond Insurer under this Article VIII, the Bondholders shall have all the rights and remedies as may be allowed by law, this Indenture, the Mortgage, the Assignment of Agreements and Documents, or pursuant to the provisions of the Agreement and/or the Facilities Lease by virtue of their assignment hereunder, including but not limited to, acceleration of the maturity of all Bonds, or suit at law or in equity to enforce or enjoin the action or inaction of parties under the provisions of this Indenture, the Mortgage, the Agreement or the Facilities Lease.

Section 8.4 **Acceleration; Annulment of Acceleration.** (a) Upon the occurrence of an Event of Default described in Section 8.2 of this Indenture, the Trustee may, with the prior written consent of the Bond Insurer, and upon the written request of the Bond Insurer shall, by notice in writing to the Issuer, the Board and the Corporation, declare the Bonds then outstanding immediately due and payable, and such Bonds shall become and be immediately due and payable, anything in such Bonds or in the Agreement or this Indenture to the contrary notwithstanding, and, subject to Article IX, the Trustee may exercise any remedies granted to it herein. In such event, there shall be due and payable on the Bonds an amount equal to the principal amount of all the Bonds then outstanding plus all interest accrued thereon and which will accrue thereon to the date of payment. If the Bond Insurer shall be in default of its payment obligations under the Bond Insurance Policies, the owners of not less than a majority of the aggregate principal amount of Bonds outstanding, may direct the Trustee to declare the Bonds then outstanding immediately due and payable; and

(b) At any time after the principal of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Indenture, the Agreement, the Mortgage, the Assignment of Agreements and Documents, or the Facilities Lease, the Trustee may annul such declaration and its consequences with respect to the Bonds if (i) moneys shall have been deposited in the Debt Service Fund sufficient to pay all matured installments of principal (other than principal due solely because of

acceleration) and interest; (ii) moneys shall be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Issuer and the Trustee; (iii) all other amounts then payable by the Issuer or the Corporation under this Indenture or the Agreement shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every Event of Default known to the Issuer or the Trustee (other than a default in the payment of the principal of the Bonds due only because of such declaration) shall have been remedied to the satisfaction of the Issuer and the Trustee. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

No waiver of any Event of Default shall be effective without the written consent of the Bond Insurer.

Section 8.5 Insufficiency in the Debt Service Fund and the Debt Service Reserve Fund; Application of Moneys. Anything in this Indenture to the contrary notwithstanding, if at any time the moneys in the Debt Service Fund and the Debt Service Reserve Fund shall not be sufficient to pay the interest on, premium, if any, or the principal of the Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities), such moneys, together with any other moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, including, without limitation, moneys paid by the Corporation to the Trustee pursuant to the Mortgage, shall, subject to the provisions of Sections 9.2 and 9.4 hereof, be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST, to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay any particular installment, then to the payment thereof, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds; then

SECOND, to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due and payable (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture) in the order of their due dates, with interest on the principal amount of such Bonds due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the Bonds and the interest thereon, then to the payment thereof ratably, according to the amount of the interest due on such date, and next, to the payment of the principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference; and then

THIRD, to the payment of the interest on and the principal of the Bonds, to the purchase and retirement of Bonds and to the redemption of Bonds, all in accordance with the provisions of this Indenture.

(b) If the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

(c) If the principal of all the Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled, then, subject to the provisions of Section 8.5(b) above, in the event that the principal of all the Bonds shall later become or be declared due and payable, then all such moneys shall be applied in accordance with the provisions of Section 8.5(a) above.

Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for application in the future; the deposit of such money or otherwise setting aside such money in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Issuer, to any Bondholder or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date, interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the owner of any Bond until such Bond shall be surrendered to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.6 **Discontinuance of Proceedings.** In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then and in every such case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

Section 8.7 **Appointment of Receiver.** Upon the occurrence of an Event of Default, and upon filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or keeper pending such proceedings, with such powers as the court making such appointment shall confer.

Section 8.8 **Remedies Not Exclusive.** No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any

other remedy, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity on or after the date of execution and delivery of this Indenture.

Section 8.9 **Remedies Vested in Trustee.** All rights of action under this Indenture, the Agreement, the Mortgage, the Assignment of Agreements and Documents, or under any of the Bonds may be enforced by the Trustee without possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any owners of the Bonds.

Section 8.10 **Majority of Bondholders Control Proceedings.** If an Event of Default shall have occurred and be continuing, notwithstanding anything in this Indenture to the contrary, but subject to all rights granted to the Bond Insurer in this Article VIII, the owners of at least a majority of the aggregate outstanding principal amount of Bonds then outstanding shall have the right after written notice delivered to the Trustee, at any time by an instrument or instruments in writing executed and delivered to the Trustee together with security or indemnity satisfactory to the Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of this Indenture, provided the direction is in accordance with law and the provisions of this Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interest of Bondholders not joining in such direction, and provided further, that nothing in this Section shall impair the right of the Trustee in its discretion to take any other action under this Indenture which it may deem proper and which is not inconsistent with the direction by Bondholders.

Section 8.11 **Individual Bondholder Action Restricted.** (a) No owner of any Bond shall have any right to institute any suit, action or proceeding for the enforcement of this Indenture or for the execution of any trust hereunder or for any remedy under this Indenture unless:

(i) An Event of Default has occurred (other than under Sections 8.2(a) or 8.2(b)) as to which the Trustee has actual notice, or as to which the Trustee has been notified in writing; and

(ii) The owners of at least a majority of the aggregate outstanding principal amount of Bonds shall have made written request to the Trustee to proceed to exercise the powers granted in this Indenture or to institute an action, suit or proceeding in its own name; and these Bondholders shall have offered the Trustee such indemnity as may be satisfactory to the Trustee, and the Trustee shall have failed or refused to exercise the powers granted in this Indenture or to institute an action, suit or proceeding in its own name for a period of sixty (60) days after receipt of the request and offer of indemnity.

(b) No one or more owners of Bonds shall have any right in any manner whatsoever to disturb or prejudice the security of this Indenture or to enforce any right hereunder except in the manner herein provided and then only for the equal benefit of the owners of all outstanding Bonds.

Section 8.12 **Waiver and Non-Waiver of Event of Default.** (a) No delay or omission of the Trustee or of any owner of Bonds to exercise any right or power accruing upon any Event of Default shall impair the right or power or shall be construed to be a waiver of an Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and to the owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

(b) The Trustee with Bond Insurer consent may waive any Event of Default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Indenture or before the completion of the enforcement of any other remedy under this Indenture.

(c) Notwithstanding anything contained in this Indenture to the contrary, the Trustee, upon written request of the Bond Insurer or the Bond Insurer and the owners of at least a majority of the aggregate principal amount of the Bonds then outstanding shall waive any Event of Default and its consequences; provided, however, that a default in the payment of the principal of, premium, if any, or interest on any Bond, when due and payable or upon call for redemption, may not be waived after the date the same becomes due and payable without the written consent of the owners of all the Bonds at the time outstanding.

(d) In case of a waiver by the Trustee of any Event of Default, the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights under this Indenture but no waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon. The Trustee shall not be responsible to anyone for waiving or refraining from waiving any Event of Default in accordance with this Section.

Section 8.13 **Notice of Defaults.** (a) Within thirty (30) days after the receipt of notice of an Event of Default or the occurrence of an Event of Default of which the Trustee is deemed to have notice, the Trustee shall (unless the Event of Default has already been cured) give written notice of the Event of Default to the owners of all Bonds then outstanding in the manner provided in Section 13.8 of this Indenture, provided that, except in the case of a default in the payment of principal, redemption price, or interest on any of the Bonds, the Trustee may withhold the notice to the Bondholders if, in its sole judgment, it determines that the withholding of notice is not detrimental to the best interest of the Bondholders.

(b) The Trustee shall immediately notify, in writing, the Issuer, the Board, the Bond Insurer and the Corporation of any Event of Default known to the Trustee.

(c) The Trustee shall provide the Bond Insurer immediate notice of any default in the payment of principal of, premium, if any, or interest on the Bonds.

Section 8.14 **Opportunity of Corporation to Cure Certain Defaults.** The Issuer and the Trustee hereby grant the Corporation full authority on the account of the Board and/or the Issuer to perform any covenant or obligation and to otherwise fulfill any condition the failure or non-performance of which is or is alleged to be an Event of Default under Section 8.2(f) of this Indenture, and the Trustee agrees that performance by the Corporation shall be deemed to be performance by the Board and/or the Issuer.

ARTICLE IX

CONCERNING THE TRUSTEE

Section 9.1 **Acceptance of Trusts.** The Trustee hereby represents and warrants to the Issuer (for the benefit of the Board, the Corporation and the Bondholders as well as the Issuer) that it is a bank and trust company duly organized and existing under the laws of the United States of America and that it is duly authorized under such laws to accept and execute trusts of the character herein set out. The Trustee accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Indenture including the following express terms and conditions, to all of which the parties hereto and the respective Owners of the Bonds agree:

(a) Except during the continuance of an Event of Default within the purview of Section 8.2, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and the Trustee shall not be responsible for (x) the legality or enforceability of this Indenture (except with respect to performance of its obligations hereunder), the Agreement (except with respect to performance of its obligations hereunder), the Facilities Lease (except with respect to performance of its obligations hereunder), the Tax Regulatory Agreement (except with respect to performance of its obligations thereunder), the Mortgage (except with respect to performance of its obligations thereunder), the Assignment of Agreements and Documents (except with respect to performance of its obligation thereunder) and any supplement thereto, the Bonds (except as to the authentication of the Bonds), or any instruments or documents related thereto (collectively, the "Bond Documents") or (y) the legality, perfection, sufficiency or priority of the Trust Estate or any lien purported to be granted thereon under any of the aforesaid documents or otherwise. No implied covenants or obligations shall be read into this Indenture against the Trustee.

(b) No provision of this Indenture shall be construed to relieve the Trustee from liability for its negligence or willful misconduct, except that:

(i) in the absence of bad faith on the part of the Trustee, the Trustee may rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected fully from liability in relying or acting upon, any resolution, opinion of counsel, certificate, request, notice, consent, waiver, order, signature guaranty, notarial seal, stamp, acknowledgment, verification, appraisal, report or other paper or document believed by the Trustee to be genuine and to have been signed, affixed or presented by the proper party or parties; but in the case of any such certificates or opinions that by any provision hereby are specifically required to be furnished to the Trustee, as the case may be, the Trustee shall be under a duty to examine the same to determine whether or not they conform to requirements of this Indenture; and

(ii) in the absence of bad faith on the part of the Trustee, whenever the Trustee, or any of its agents, representatives, experts or counsel, shall consider it

necessary or desirable that any matter be proved or established, such matter shall be deemed to be conclusively proved and established by a certificate executed by an Authorized Issuer Representative; provided, however, that the Trustee, or such agent, representative, expert or counsel may require, but is not obligated to require, such further and additional evidence and make such further investigation as it or they may consider reasonable; and

(iii) the Trustee may consult with counsel and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance with such advice or opinion of counsel; and

(iv) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith and in accordance with any direction or request of the Bondholders; and

(v) the Trustee shall not be liable for any error of judgment made in good faith by an officer or employee of the Trustee unless the Trustee is negligent in ascertaining the pertinent facts; and

(vi) the Trustee shall not be deemed to have knowledge of any Event of Default, except for the failure of the Corporation to make or cause to be made scheduled payments to the Trustee provided for in the Agreement, unless and until the Bond Insurer shall have given written notice to the Trustee of said default or until an officer of the Trustee who customarily handles corporate trusts and is assigned to supervise this Indenture shall have actual knowledge thereof or the Trustee shall have received written advice thereof from any Bondholder; and

(vii) anything in any of the Bond Documents to the contrary notwithstanding, whether or not an Event of Default shall have occurred, the Trustee shall not be under any obligation to take any action under this Indenture that may involve it in any expense or liability, the payment of which within a reasonable time is not, in its opinion, assured to it by the security afforded to it by the terms of this Indenture, unless it is requested in writing to do so by one or more owners of the Bonds outstanding hereunder and furnished, from time to time as it may require, with security and indemnity satisfactory to it; and

(viii) the Trustee need not take any action or follow any direction from any one or more Bondholders if the Trustee shall be advised by counsel that the action or proceedings so directed may not lawfully be taken or would be prejudicial to Bondholders not parties to such direction, or the Trustee in good faith believes following such direction would involve the Trustee in personal liability; and

(ix) in no event shall the Trustee be liable to any person for special, indirect or consequential damages, lost profits or loss of business arising under or

in connection with this Indenture, even if previously informed of the possibility of such damages and regardless of the form of action; and

(x) anything to the contrary in the Bond Documents notwithstanding, the permissive right of the Trustee to do anything enumerated or set forth in any of the Bond Documents shall not be construed as a duty, and the Trustee shall not be held responsible or liable for other than its negligence or willful misconduct.

(c) In case an Event of Default within the purview of Section 8.2 hereof has occurred and is continuing and the Trustee has actual knowledge of such Event of Default or is deemed to have knowledge pursuant to (b)(vi) above, subject to the provisions of this Article IX, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the degree of care and skill in their exercise as a prudent man would exercise under the circumstances.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee, including without limitation Sections 9.3 and 9.4 hereof, shall be subject to the provisions of this Section 9.1. The Trustee also accepts, and agrees to do and perform, the duties and obligations imposed upon it by and under the Agreement, the Facilities Lease and the Mortgage, but only upon the terms and conditions set forth in the Agreement, the Facilities Lease, the Mortgage and this Indenture. The rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

Section 9.2 **Trustee Entitled to Indemnity.** The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Indenture or under the Agreement, or to enter any appearance in or in any way defend against any suit, in which it may be made a defendant (except in the case of the Trustee's own negligence), or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder or under the Agreement or the Facilities Lease, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Issuer shall reimburse the Trustee from funds available therefor under the Agreement for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Issuer shall fail to make reimbursement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference over any of the Bonds.

Section 9.3 **Trustee Not Responsible for Insurance, Taxes, Execution of Indenture, Acts of the Issuer or Application of Moneys Applied in Accordance with this Indenture.** The Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Corporation for the benefit of the Board or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall have no responsibility in respect of the validity,

sufficiency, due execution or acknowledgment of this Indenture or the validity or sufficiency of the security provided hereunder or in respect of the validity of the Bonds or the due execution or issuance thereof, except as to the authentication thereof.

The Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

The Trustee shall not be liable or responsible because of the failure of the Issuer or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Issuer or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other depository in which such moneys shall have been deposited under the provisions of this Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Indenture.

The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 9.4 **Compensation.** The Trustee shall be entitled to reasonable compensation for its ordinary services hereunder consistent with the results of the process by which the Trustee was selected and any extraordinary services rendered hereunder and to reimbursement for all expenses incurred in good faith hereunder, including the compensation, expenses and disbursements of such agents, representatives, experts and counsel as the Trustee may employ in connection with the exercise and performance of its powers and duties hereunder. Subject to the provisions of any contract relating to the compensation of the Trustee, the Issuer shall cause the Board to pay to the Trustee as administrative expenses its reasonable fees and charges as Additional Rent in accordance with the Facilities Lease upon the written request of the Trustee and provided the Issuer shall be furnished with sufficient funds to pay all costs and expenses (including attorneys' fees) reasonably incurred by the Issuer in connection therewith as such costs and expenses accrue. If the Board shall fail to make any payment required by this Section, the Trustee may, but shall be under no obligation to, make such payment from any moneys in its possession under the provisions of this Indenture, and the Trustee shall be entitled to a preference therefor over any of the Bonds Outstanding hereunder.

Section 9.5 **Trustee to Preserve Records.** All records and files pertaining to the Corporation in the custody of the Trustee shall be open at all reasonable times to the inspection of the Issuer, the Board, the Corporation, the Bond Insurer and their agents and representatives.

Section 9.6 **Trustee May be Bondholder.** The Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in any of the Bonds issued under and secured by this Indenture, and may join in the capacity of a Bondholder in any action which any Bondholder may be entitled to take with like effect as if such institution were not the Trustee under this Indenture.

Section 9.7 **Trustee Not Responsible for Recitals.** The recitals, statements and representations contained herein and in the Bonds shall be taken and construed as made by and on the part of the Issuer and not by the Trustee, and the Trustee shall not be under any responsibility for the correctness of the same.

Section 9.8 **Trustee Responsible for Reinscription and Continuation Statements.** The Trustee, as mortgagee under the Mortgage, is required under the terms of the Mortgage to reinscribe the Mortgage at such times as shall be necessary to preserve the lien thereof. Under the Agreement, the Corporation has covenanted to cooperate with the Trustee with regard to the foregoing. In the event that any continuation statement shall be required to keep current any financing statement or other filings with respect to security interests or other security devices securing the Bonds, the Trustee shall be obligated to file any such continuation statements and shall provide written notice to the Issuer of such filing, if any.

Section 9.9 **Trustee May Rely on Certificates.** Subject to the provisions of Section 9.1(b), the Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Agreement or this Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert believed by it to be qualified in relation to the subject matter, and the Trustee shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

Section 9.10 **Qualification of the Trustee.** There shall at all times be a Trustee hereunder. Any successor Trustee hereunder shall be a trust company or commercial bank (having trust powers) organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers, having unimpaired capital and surplus of at least \$100,000,000, and subject to supervision or examination by federal or state authority. If such trust company or bank publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the unimpaired capital and surplus of such association or corporation shall be deemed to be its unimpaired capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect specified in Section 9.11 hereof.

Section 9.11 **Resignation and Removal of Trustee.** (a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 9.12 hereof and until notice of resignation or removal and appointment, as the case may be, shall have been provided to the Bond Insurer.

(b) The Trustee may resign at any time by giving written notice thereof to the Issuer, the Bond Insurer, the Board, the Corporation and the Bondholders. If an instrument of

acceptance by a successor Trustee shall not have been delivered to the Trustee within thirty (30) days after the giving of such notice of resignation, the retiring Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed with or without cause at any time by an instrument or instruments in writing to the Trustee, with copies to the Issuer, the Bond Insurer, the Board and the Corporation, signed by the Bond Insurer or by the Bond Insurer and the owners of not less than a majority in aggregate principal amount of the Bonds then outstanding or by their attorneys, legal representatives or agents and delivered to the Trustee, the Issuer, the Bond Insurer, the Board and the Corporation (such instruments to be effective only when received by the Trustee).

(d) If at any time

(i) the Trustee shall cease to be eligible under Section 9.10 hereof and shall fail to resign after written request therefor by the Corporation for the Board or by any Bondholder, or

(ii) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (1) the Issuer, in its discretion and without obligation, may or the Corporation, on behalf of the Board, may remove the Trustee, or (2) any Bondholder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor but only, in each case, with the prior written approval of the Bond Insurer.

(e) If the Trustee shall be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause other than resignation (it being understood that no vacancy may occur as a result of resignation since the Trustee may not resign unless a successor has been appointed) or if the Trustee tenders its resignation, the Issuer with the approval of the Bond Insurer (so long as the Bond Insurer is not in default under the Bond Insurance Policies) shall promptly appoint a successor provided the Issuer shall be furnished with sufficient funds to pay all costs and expenses (including attorneys' fees) reasonably incurred by the Issuer in connection therewith as such costs and expenses accrue. If, within one (1) year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee shall be appointed by an instrument or concurrent instruments in writing executed by the owners of not less than a majority in aggregate principal amount of the Bonds then outstanding and delivered to the Corporation for the Board and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the Issuer. If no successor Trustee shall have been so appointed by the Issuer or the Bondholders and accepted appointment in the manner hereinafter provided, any Bondholder who has been a bona fide owner of a Bond for at

least six (6) months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The Issuer shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to all Bondholders upon the written request of the Trustee and provided the Issuer shall be furnished with sufficient funds to pay all costs and expenses (including attorney's fees) reasonably incurred by the Issuer in connection therewith as such costs and expenses accrue. Each notice shall include the name and address of the principal corporate trust office of the successor Trustee.

Section 9.12 **Successor Trustee**. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Issuer, the Bond Insurer and the Corporation, on behalf of the Board, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessors; but such predecessor shall, nevertheless, on the written request of its successor or of the Issuer and upon payment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of Section 9.4 hereof, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and moneys held by it hereunder to its successor, subject, nevertheless, to its preference, if any, provided for in Sections 9.2 and 9.4 hereof. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee any such instrument in writing shall and will be executed, acknowledged and delivered by the Issuer upon the written request of the Trustee and provided the Issuer shall be furnished with sufficient funds to pay all costs and expenses (including attorneys' fees) reasonably incurred by the Issuer in connection therewith as such costs and expenses accrue.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Indenture and otherwise qualified to act as Trustee hereunder with or into which the bank or trust company acting as Trustee may be merged or consolidated, or to which the corporate trust assets and corporate trust business of such bank or trust company may be sold, shall be deemed the successor of the Trustee.

Section 9.13 **Co-Trustee**. It is the purpose hereof that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banks or trust companies to transact business as trustee in such jurisdiction. It is recognized that in case of litigation hereunder and in particular in case of the enforcement of this Indenture upon the occurrence of an Event of Default, it may be necessary that the Trustee appoint an additional individual or institution as a separate Trustee or Co-Trustee. The following provisions of this Section are adapted to these ends.

Upon the incapacity or lack of authority of the Trustee, by reason of any present or future law of any jurisdiction, to exercise any of the rights, powers and trusts herein granted to the Trustee or to hold title to the trust estate or to take any other action which may be necessary or desirable in connection therewith, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in a separate Trustee or Co-Trustee appointed by the Trustee but only to the extent necessary to enable the separate Trustee or Co-Trustee to exercise such rights, powers and trusts, and every agreement and obligation necessary to the exercise thereof by such separate Trustee or Co-Trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the Issuer be required by the separate Trustee or Co-Trustee so appointed by the Trustee in order to more fully and certainly vest in and confirm to him or it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments shall, on request, be executed, acknowledged and delivered by the Issuer upon the written request of the Trustee and provided the Issuer shall be furnished with sufficient funds to pay all costs and expenses (including attorneys' fees) reasonably incurred by the Issuer in connection therewith as such costs and expenses accrue. In case any separate Trustee or Co-Trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate Trustee or Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate Trustee or Co-Trustee.

Section 9.14 **Disclosure Documents**. The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or other disclosure material prepared or distributed with respect to the Bonds.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.1 **Supplemental Indentures Not Requiring Consent of Bondholders.** The Issuer and the Trustee may, with the consent of the Bond Insurer but without the consent of, or notice to, any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture as shall not be inconsistent with the terms and provisions hereof and in the opinion of the Trustee shall not materially and adversely affect the interest of the Bondholders for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may be lawfully granted to or conferred upon the Bondholders or the Trustee or either of them;
- (c) To subject to the lien and pledge of this Indenture additional revenues, properties or collateral;
- (d) To provide for the issuance of Additional Bonds in conformity with the provisions of Article V of this Indenture and to fix all details with respect thereto or to provide further conditions, limitations or restrictions on the issuance of Additional Bonds;
- (e) To add to the provisions hereof in connection with a Variable Rate Conversion;
- (f) To modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof or thereof under any federal statute hereafter in effect or under any state Blue Sky Law, and, in connection therewith, if they so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted or required by any said federal statute or Blue Sky Law; provided, that any such indenture supplemental hereto referred to in this Section 10.1(e) shall not, in the judgment of the Trustee, which may rely on an opinion of counsel, be to the prejudice of the owners of the Bonds; or
- (g) To provide any other modifications which, in the sole judgment of the Trustee, are not prejudicial to the interests of the Bondholders.

Section 10.2 **Supplemental Indentures Requiring Consent of Bondholders.** Anything contained in this Indenture to the contrary notwithstanding, except for indentures supplemental hereto authorized by Section 10.1 of this Indenture and subject to the terms and provisions contained in this Section 10.2, and not otherwise, the owners of not less than a majority in aggregate principal amount of the Bonds then outstanding shall have the right from time to time, with the consent of the Bond Insurer, to consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be

deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any indenture supplemental hereto; provided, however, that nothing contained in this Section 10.2 shall permit, or be construed as permitting, without the consent of the Bond Insurer and the owners of all the Bonds then outstanding (a) an extension of the stated maturity or scheduled sinking fund redemption or reduction in the principal amount or premium of, or reduction in the rate or extension of the time of payment of interest on, any Bonds, or (b) the creation of any lien on the Trust Estate or any part thereof pledged under this Indenture prior to or on a parity with the lien of this Indenture, or (c) a reduction in the aforesaid aggregate outstanding principal amount of Bonds the owners of which are required to consent to any such indenture supplemental hereto. No such amendment shall modify the rights, duties or immunities of the Trustee without the written consent of the Trustee.

If at any time the Issuer shall request the Trustee to enter into any such supplemental indenture for any of the purposes of this Section 10.2, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be given to the Bondholders in the manner provided in Section 13.8 of this Indenture. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within ninety (90) days or such longer period as shall be prescribed by the Issuer following the giving of such notice, the owners of not less than a majority in aggregate principal amount of the Bonds outstanding at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section 10.2 permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

So long as no event of nonperformance under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

Section 10.3 **Filing.** Copies of any supplemental indenture shall be filed with the Trustee and delivered to the Issuer and the Corporation for the Board.

Section 10.4 **Reliance on Counsel.** The Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel satisfactory to the Trustee, who may be counsel for the Issuer, as conclusive evidence that any such proposed supplemental indenture complies with the provisions of this Article prior to joining in the execution of such supplemental indenture.

Section 10.5 **Supplement Binding.** Upon the execution of any supplemental indenture pursuant to the provisions of this Article, this Indenture shall be deemed to be supplemented, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Trustee, the Issuer, the Corporation, the Board and the owners of

Bonds then outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modification and amendment.

Section 10.6 **Supplemental Agreement**. The Issuer and the Corporation, with the approval of the Board, the Bond Insurer and the Trustee in certain events, may consent to supplemental loan agreements for the purposes and in the manner provided in Article VIII of the Agreement and the Trustee agrees that it shall take the actions required of it as provided thereunder.

Section 10.7 **Notice to Rating Agencies and Bond Insurer**. No supplemental indenture shall be executed and delivered pursuant to Sections 10.1 or 10.2 hereof without prior written notice having been given by the Trustee, to the Bond Insurer and Standard & Poor's Ratings Group (Attention: Bond Insurance Administration) of the Trustee's intention to execute such supplemental indenture not less than fifteen (15) days in advance of the execution of said supplemental indenture. The Issuer shall also furnish to the Bond Insurer a full transcript of all proceedings relative to the supplemental indenture.

ARTICLE XI

COVENANTS OF ISSUER

Section 11.1 **Payment of Principal, Premium and Interest.** The Issuer covenants that it will promptly pay, or cause to be paid, the principal of, premium, if any, and the interest on every Bond at the places, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof but solely from the revenues of the Trust Estate and not from any other fund or source. The Issuer further covenants that it will faithfully perform at all times all of its covenants, undertakings and agreements contained in this Indenture, the Agreement or in any Bond executed, authenticated and delivered hereunder or in any proceedings of the Issuer pertaining thereto.

Section 11.2 **Additional Security.** The Issuer covenants, whenever and so often as reasonably required to do so by the Trustee, promptly to execute and deliver or cause to be delivered all such other and further instruments, documents or assurances, and to promptly do or cause to be done all such other further things, as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the owners of the Bonds all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Indenture.

Section 11.3 **Cure Title Defects.** The Issuer covenants to promptly, upon the request of the Trustee, from time to time, take or cause to be taken such action as may be necessary or proper to remedy or cure any material defect in or cloud upon the title to the Trust Estate or any part thereof, whether now existing or hereafter developing, and to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Trustee and every owner of Bonds, solely from the Trust Estate, harmless from all loss, cost, damage and expense, including attorneys' fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceedings.

Section 11.4 **Defend Against Actions.** The Issuer covenants to defend or cause to be defended every suit, action or proceeding at any time brought against the Trustee or any owner of Bonds upon any claim arising out of the receipt, application or disbursement of any of the revenues of the Trust Estate or involving the Issuer's, the Trustee's or such Bondholders' rights under this Indenture or the Agreement and to indemnify and save harmless, solely from the Trust Estate, the Trustee and Bondholders against any and all liability claimed or asserted by any person whomsoever, arising out of such receipt, application or disbursement of any such revenues; provided, however, that the Trustee or any owner of Bonds at its or his election may appear in and defend against any such suit, action or proceeding; and notwithstanding any contrary provision hereof, this covenant shall continue and remain in full force and effect until all indebtedness, liabilities, obligations and other sums secured hereby have been fully paid and satisfied, and this Indenture has been released of record and the lien hereof discharged.

Section 11.5 **Non-Impairment of Security.** The Issuer covenants that so long as any of the Bonds issued pursuant to this Indenture are outstanding and unpaid, the Issuer will not voluntarily consent to any amendment to the Agreement or otherwise take any action which will reduce the amount of moneys made available thereunder to the Trustee, or which will in any

manner impair or adversely affect the rights of the Issuer or the Trustee or the security provided by this Indenture to the owners from time to time of the Bonds.

Section 11.6 **Issuer's Obligation Limited**. Nothing in the Agreement or this Indenture is intended to require or obligate nor shall anything therein be interpreted to require or obligate the Issuer for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Issuer other than from the Trust Estate.

Any other term or provision in this Indenture or in the Agreement, the Mortgage, the Tax Regulatory Agreement, the Bond Purchase Agreement, the Bonds or elsewhere to the contrary notwithstanding:

(a) Any and all obligations (including without limitation, fees, claims, demands, payments, damages, liabilities, penalties, assessments and the like) of or imposed upon the Issuer or its members, officers, agents, employees, representatives, advisors or assigns, whether under this Indenture or any of the Agreement, the Mortgage, the Tax Regulatory Agreement, the Bond Purchase Agreement, the Bonds or elsewhere and whether arising out of or based upon a claim or claims of tort, contract, misrepresentation, or any other or additional legal theory or theories whatsoever (collectively, the "Obligations"), shall in all events be absolutely limited obligations and liabilities, payable solely out of the following, if any, available at the time the Obligation in question is asserted:

(i) Bond Proceeds and investments therefrom; and

(ii) Payments derived from the Bonds, this Indenture (including the Trust Estate to the extent provided in this Indenture), the Mortgage and the Agreement (except the fees and expenses of the Issuer and the Issuer's right to indemnification under the Agreement as set forth therein);

(the above provisions (i) and (ii) being collectively referred to as the "Exclusive Sources of the Obligations").

(b) The Obligations shall not be deemed to constitute a debt or liability of the State of Louisiana or of any political subdivision thereof within the meaning of any State of Louisiana constitutional provision or statutory limitation and shall not constitute a pledge of the faith and credit of the State of Louisiana or of any political subdivision thereof, including the Issuer, but shall be payable solely from and out of the Exclusive Sources of the Obligations and shall otherwise impose no liability whatsoever, primary or otherwise, upon the State of Louisiana or any political subdivision thereof, including the Issuer, or any charge upon their general credit or taxing power.

(c) In no event shall any member, officer, agent, employee, representative or advisor of the Issuer, or any successor or assign of any such person or entity, be liable, personally or otherwise, for any Obligation.

(d) In no event shall this Indenture be construed as:

- (1) depriving the Issuer of any right or privilege; or
- (2) requiring the Issuer or any member, officer, agent, employee, representative or advisor of the Issuer to take or omit to take, or to permit or suffer the taking of, any action by itself or anyone else; which deprivation or requirement would violate or result in the Issuer's being in violation of the Act or any other applicable state or federal law.

Section 11.7 **Immunity of Officers, Employees and Members of Issuer.** No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this Indenture against any past, present or future officer, director, member, employee or agent of the Issuer, and all such liability of any such officers, directors, members, employees, or agents except for criminal or intentional acts as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Bonds. No covenant or agreement contained in the Bonds or in this Indenture shall be deemed to be the covenant or agreement of any incorporator, director, or officer of the Issuer past, present or future in his or her individual capacity, and neither members of the Issuer nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability be reason of the issuance thereof. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this Indenture against any past, present or future officer, director, member, employee or agent of the Issuer, and all such liability of any such officers, directors, members, employees, or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Bonds.

Section 11.8 **Role of Issuer.** The Issuer shall not be required to take any action not expressly provided for herein. The Issuer shall have no obligation to review, control or oversee the activities of Trustee in collecting any amounts payable pursuant to the Agreement, the Indenture or the Mortgage, or in making any payments on the Bonds. Furthermore, the Issuer shall not be obligated to take any action or execute any documents which might in its reasonable judgment involve it in any expense or liability unless it shall have been furnished with assurance of payment or reimbursement for any expense and with reasonable indemnity for liability of the Issuer, its incorporators, directors, officers and counsel.

Section 11.9 **No Additional Pledge.** The Issuer shall grant no security interest or lien of any type in the Payments other than the pledge set forth in Article II hereof and shall issue no debt or obligation that is to be paid from the Payments other than the payment of principal of and interest on the Bonds and the other payments required hereunder. The Issuer shall grant no security interest or lien or encumbrance of any type on the Payments other than the pledge made by Article II hereof.

ARTICLE XII

DEFEASANCE

Section 12.1 **Payment.** When all of the Bonds shall have been paid and discharged, and there shall have been paid all fees and charges of the Trustee due or to become due through the date on which the last of the Bonds is retired, then this Indenture shall cease, terminate and become null and void, and thereupon the Trustee shall release this Indenture including the cancellation and discharge of the lien hereof, and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy the lien hereof and, if necessary, to enter on the records such satisfaction and discharge and to re-convey to the Issuer any property or interest therein or other rights hereby conveyed and such other instruments to evidence such release and discharge as may be reasonably required by the Issuer, and the Trustee shall assign and deliver to the Issuer any property at the time subject to the lien of this Indenture which may then be in its possession, except amounts in any Fund otherwise required to be paid by this Indenture and except such cash and investments as are held by the Trustee for the payment of interest and premium, if any, on and retirement of the Bonds.

Notwithstanding the foregoing, the obligation of the Board to pay the fees and expenses of the Trustee in accordance with the terms of this Indenture shall survive the defeasance of the Bonds, the discharge of this Indenture and the termination of the Agreement.

Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policies, or amounts are due to the Bond Insurer under the Reimbursement Agreement, the Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, and the assignment and pledge of the Trust Estate and all covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such registered owners.

Section 12.2 **Provision for Payment.** Any Bonds shall be deemed to have been paid and discharged within the meaning of Section 12.1, if the Trustee, or an escrow trustee, shall hold, in trust for and irrevocably committed thereto, moneys or Defeasance Obligations of such maturities and interest payment dates and bearing such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (likewise to be held in trust and committed, except as hereinafter provided), be sufficient for the payment of such Bonds, at their maturity or redemption date, of the principal thereof, together with the redemption premium, if any, and interest accrued to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date then to the date of the tender of such payment; provided, that if any Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provisions satisfactory to the Trustee shall have been duly made for the giving of such notice. Any moneys held in accordance with the provisions of this Section shall be invested only in Defeasance Obligations the maturities or redemption dates and interest payment dates of which, at the option of the owner, shall coincide as nearly as practicable with, but not later than, the time or times at which said moneys will be required for the aforesaid purposes. Any income or

interest earned by the Defeasance Obligations held under this Section shall, as determined by the Trustee or the escrow trustee, to the extent not required for the purposes of this Section, be paid to the Board as overpayment of Payments. No forward supply contract may be entered into in connection with a defeasance without the prior written consent of the Bond Insurer.

Section 12.3 **Certifications.** The Issuer and the Corporation, for the Board, covenant and agree that they will furnish to the Trustee and the Bond Insurer:

Certificates or opinions made by officers of the Issuer and the Corporation required by this Indenture stating that provisions of this Article relating to the satisfaction and discharge of this Indenture have been fulfilled; and

An opinion of Bond Counsel in form and substance satisfactory to the Bond Insurer to the effect that the payment of the Bonds has been provided for in the manner set forth in the Indenture and the Agreement and that all obligations of the Issuer and the Corporation with respect to the Bonds have been discharged and satisfied; and

In the case of an advance refunding, a mathematical verification prepared by a nationally recognized firm of independent certified public accountants (or other verification agent satisfactory to the Bond Insurer) that the Defeasance Obligations are sufficient to pay the principal of, premium, if any, and interest on the Bonds which are defeased.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 **Covenants of Issuer Binds its Successors.** In the event of the dissolution of the Issuer, all of the covenants, stipulations, obligations and agreements contained in this Indenture by or on behalf of or for the benefit of the Issuer shall bind or inure to the benefit of the successor or successors of the Issuer from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Issuer" as used in this Indenture shall include such successor or successors.

Section 13.2 **Preservation and Inspection of Documents.** All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Issuer, the Corporation, the Board and any Bondholder and their agents and their representatives, any of whom may make copies thereof.

Section 13.3 **Parties Interest Herein.** Nothing in this Indenture expressed or implied, is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Trustee, the Corporation, the Bond Insurer and the Bondholders, any right, remedy or claim or by reason of this Indenture or any covenant, agreement, condition or stipulation therein.

Section 13.4 **No Recourse on the Bonds.** No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds or for any claim based thereunder or under this Indenture against any trustee, director, officer, employee or agent of the Issuer or of the Trustee.

Section 13.5 **Severability.** If any clause, provision or Section of this Indenture be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Indenture shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Indenture be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Issuer, the Corporation or the Board, as the case may be, only to the extent permitted by law.

Section 13.6 **Consents and Approvals.** Whenever the written consent or approval of the Issuer, the Trustee or the Corporation shall be required under the provisions of this Indenture, such consent or approval shall not be unreasonably withheld or delayed.

Section 13.7 **Notices.** All notices demands and requests to be given or made hereunder to or by the Issuer, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

If to the Issuer: Louisiana Local Environmental Facilities Community and
Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809-2233

Attention: Executive Director

If to the Corporation: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402

Attention: Executive Director

If to the Trustee: The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256

Attention: Corporate Trust Department

If to the Bond Insurer: MBIA Insurance Corporation
113 King Street
Armonk, New York 10504

Attention: Insured Portfolio Management

Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The above addresses may be changed at any time upon written notice of such change sent by United States mail, postage prepaid, to the other parties by the party effecting the change.

Any notice required to be given by any party hereunder, and copies of notices received by the Trustee under the Facilities Lease and the Ground Lease, shall also be given to the Bond Insurer at the address specified above.

Section 13.8 **Notices to Bondholders**. Any notices or other communications required or permitted to be given to the Bondholders pursuant to this Indenture shall be mailed by first class mail in a sealed envelope, postage prepaid, addressed to each such Bondholder as his address last appears on the Bond Register. In case, by reason of the suspension of or irregularities in regular mail service, it shall be impractical to mail notice to the Bondholders of any event when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of such notice. Any notice herein required may be omitted if the owners of all the Bonds entitled to such notice give to the Trustee a written waiver of such notice.

Section 13.9 **Applicable Law**. This Indenture shall be governed exclusively by the applicable laws of the State.

Section 13.10 **Captions**. The table of contents, captions and headings of the several articles and sections of this Indenture are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Indenture.

Section 13.11 **Indenture to Constitute a Contract**. This Indenture, upon execution by the Issuer and the Trustee shall constitute a third party beneficiary contract between the Issuer and the Trustee for the benefit of the Bond Insurer and of the owners of all Bonds issued hereunder.

Section 13.12 **Performance on Legal Holidays**. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption or purchase of any Bonds or the date fixed for the giving of notice or the taking of any action under this Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the giving of such notice or the taking of such action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

Section 13.13 **Continuing Disclosure Agreement**. The Board has undertaken all responsibility for compliance with continuing disclosure requirements, and the Issuer shall have no liability to the holders of the Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Indenture, failure of the Board to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default hereunder; however, the Trustee may (and, at the request of the Underwriter (as defined in the Continuing Disclosure Agreement) or the holders of at least a majority in aggregate principal amount of Outstanding Bonds or the Bond Insurer, shall), upon being provided indemnity satisfactory to the Trustee, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Board to comply with its obligations under this Section 13.13. The Trustee shall have no responsibility for the failure of the Board to report any material event and shall have no responsibility as to any determination by the Board of whether any event would constitute material information for holders of the Bonds.

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be executed by its Chairman or Vice Chairman and has caused the seal of the Issuer to be affixed hereto and attested by its Secretary/Treasurer and the Trustee has caused this Indenture to be executed in its behalf by a Trust Officer and its seal to be impressed hereon, all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES
AND COMMUNITY
DEVELOPMENT AUTHORITY

By: *George L. Grace*
George L. Grace, Sr., Chairman

ATTEST:

By: *David C. Butler, II*
David C. Butler, II, Secretary/Treasurer

SEAL

WITNESSES:

Michael C. Hebert
Ruth Dunbar

THE BANK OF NEW YORK
TRUST COMPANY, N.A.,
as Trustee

By: _____
Name: _____
Title: _____

WITNESSES:

SEAL

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be executed by its Chairman or Vice Chairman and has caused the seal of the Issuer to be affixed hereto and attested by its Secretary/Treasurer and the Trustee has caused this Indenture to be executed in its behalf by a Trust Officer and its seal to be impressed hereon, all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES
AND COMMUNITY
DEVELOPMENT AUTHORITY

By: _____
George L. Grace, Sr., Chairman

ATTEST:

SEAL

By: _____
David C. Butler, II, Secretary/Treasurer

WITNESSES:

THE BANK OF NEW YORK
TRUST COMPANY, N.A.,
as Trustee

By: Elizabeth Dean
Name: Elizabeth Dean
Title: VICE PRESIDENT

SEAL

WITNESSES:

Jim McWane

Al

FORM OF SERIES 2004A BOND

FORM OF BOND

Unless this Series 2004A Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2004A Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2004A Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

*UNITED STATES OF AMERICA
STATE OF LOUISIANA*

***Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Bond
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A***

No. RA- 1

\$ _____

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>DATED DATE</u> | <u>DATE OF AUTHENTICATION</u> | <u>CUSIP</u> |
|----------------------|----------------------|-------------------|-------------------------------|--------------|
| _____% | _____ | _____ | _____ | _____ |

REGISTERED OWNER:

CEDE & Co.
TAX ID#13-2555119

PRINCIPAL AMOUNT: _____

The **LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY** (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this Series 2004A Bond are payable in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts. The principal of this Series 2004A Bond shall be payable to the registered owner hereof or his assigns upon surrender hereof at the Corporate Trust Office of The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). Interest on this Series 2004A Bond, when due and payable, shall be paid by check or draft mailed by the Trustee on the interest payment date to the person in whose name this Series 2004A Bond is registered, at the address as it appears on the Bond Register maintained by the Trustee at the close of business on January 15 or July 15, as the case may be next preceding such interest payment date, or if such day shall not be a Business Day, the next preceding Business Day (the "Record Date") irrespective of any transfer or exchange of this Series 2004A Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall default in payment of interest due on such interest payment date, provided that an owner of \$1,000,000 or more in aggregate principal amount of Series 2004A Bonds may request payment by wire transfer if such owner has requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of a default, such defaulted interest shall be payable on a payment date established by the Trustee to the person in whose name this Series 2004A Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owner of this Series 2004A Bond not fewer than fifteen (15) days preceding such special record date.

This Series 2004A Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by a duly authorized representative of the Trustee.

This Series 2004A Bond is one of the duly authorized issue of the Authority's Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds"), issued under and secured by the Indenture (hereinafter defined) pursuant to which the Authority is issuing \$60,985,000 aggregate principal amount of said revenue bonds on behalf of University Facilities, Inc., a nonprofit corporation (the "Corporation") for the purpose of: (i) paying the Prior Debt, currently outstanding in the amount of \$14,590,000, (ii) demolishing certain existing facilities and renovating, developing and constructing the Facilities, (iii) funding the costs of marketing the Facilities, (iv) providing working capital for the Facilities, (v) funding a deposit to the Debt Service Reserve Fund, (vi) paying capitalized interest on the Series 2004A Bonds, (vii) funding a deposit to the Replacement Fund, and (viii) paying costs of issuance of the Series 2004A Bonds, including the premium for any bond insurance policy insuring the Series 2004A Bonds. Simultaneously with the issuance of the Series 2004A Bonds, the Authority will issue \$15,000,000 of revenue bonds designated "Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B"

{B0292735.1}

(the "Series 2004B Bonds") and \$925,000 of revenue bonds designated "Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004C" (the "Series 2004C Bonds" and, together with the Series 2004A Bonds and the Series 2004B Bonds, the "Series 2004 Bonds"), authorized to be issued on behalf of the Corporation for the purpose of: (i) demolishing certain existing facilities and renovating, developing and constructing the Facilities, (ii) funding the costs of marketing the Facilities, (iii) providing working capital for the Facilities, (iv) funding a deposit to the Debt Service Reserve Fund, (v) paying capitalized interest on the Series 2004B Bonds and the Series 2004C Bonds, and (vi) paying the costs of issuance of the Series 2004B Bonds and the Series 2004C Bonds, including the premium for any bond insurance policy insuring the Series 2004B Bonds and the Series 2004C Bonds. The proceeds of the Series 2004A Bonds have been loaned to the Corporation pursuant to a Loan Agreement dated as of August 1, 2004, between the Authority and the Corporation (together with all amendments and supplements thereto the "Agreement") for the foregoing purposes. The Board of Supervisors for the University of Louisiana System (the "Board"), acting on behalf of the University, has leased the land upon which the Facilities are and will be located on the campus of the University (the "Land") and the Facilities to the Corporation pursuant to a Ground Lease, and will lease the Facilities from the Corporation pursuant to a Facilities Lease.

The Series 2004A Bonds are issued pursuant to the laws of the State, particularly Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the "Act"), and pursuant to a Trust Indenture dated August 1, 2004, between the Authority and the Trustee (together with all amendments and supplements thereto called the "Indenture"), a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, and to which Indenture reference is hereby made for a more complete description of the assigned revenues constituting the Trust Estate, the nature and extent of the security, the terms and conditions under which the Series 2004A Bonds are issued and secured, the terms and conditions under which Additional Bonds may be issued and secured, the rights, duties and immunities of the Trustee and the rights of the registered owners of the Series 2004A Bonds. The registered owner of this Series 2004A Bond shall have no rights to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture, and by acceptance of this Series 2004A Bond, the owner hereof assents to all of the provisions of the Indenture and the Assignment (hereinafter defined). All terms not defined herein shall have the meanings assigned thereto in the Indenture.

The Series 2004A Bonds are on a parity with the Series 2004B Bonds and the Series 2004C Bonds under the Indenture.

The Insurance Policy

Simultaneously with the delivery of the Series 2004A Bonds, in order to provide the registered Owners of the Series 2004A Bonds additional security, MBIA Insurance Corporation (the "Insurer") will issue and deliver on the date of delivery of the Series 2004A Bonds its unconditional and irrevocable municipal bond insurance policy pursuant to which the Insurer will agree to pay the principal of and interest on the Series 2004A Bonds when due if such principal and interest are not paid from funds available under the Indenture, all as more particularly set forth in the Statement of Insurance attached hereto.

The Series 2004A Bonds are issuable as fully registered bonds without coupons, in Authorized Denominations, and shall be numbered from No. R-1 upwards. The Series 2004A Bonds are limited and

{B0292735.1}

special revenue obligations of the Authority and are payable solely from (i) payments received by the Authority from the Corporation pursuant to the Agreement (except however, the Authority's rights to exculpation, indemnification and payment of expenses by the Corporation under the Agreement) and (ii) all funds held by the Trustee under the Indenture and available for such payment, said payments and funds being herein referred to as the "Trust Estate." The Agreement, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, provides that the Corporation is unconditionally obligated to make payments, but solely from the Payments (as defined in the Agreement) in an aggregate amount sufficient, for the payment in full of the principal and interest of all Series 2004A Bonds issued and outstanding under the Indenture, to the date of payment thereof, and certain costs, expenses and charges of the Authority and the Trustee. The Agreement imposes upon the Corporation certain obligations respecting the use and operation of its Facilities and the maintenance and repair of said Facilities.

THE SERIES 2004A BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE SERIES 2004A BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THE INDENTURE. THE ISSUANCE OF THE SERIES 2004A BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.

As long as any of the Series 2004A Bonds remain outstanding, there shall be permitted the exchange of Series 2004A Bonds at the principal corporate trust office of the Trustee. Any Series 2004A Bond or Series 2004A Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Bonds in Authorized Denominations.

For every such exchange or transfer of Series 2004A Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Trustee shall not be required to register the transfer or exchange of (a) any Series 2004A Bonds during the fifteen (15) day period next preceding the selection of Series 2004A Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2004A Bonds selected for redemption, or (b) any Series 2004A Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2004A Bond to be redeemed in part, the portion thereof not so to be redeemed.

REDEMPTION PROVISIONS

Optional Redemption

The Series 2004A Bonds are subject to redemption prior to maturity at the option of the Authority, upon written direction from the Board, on or after August 1, 2014, as a whole or in part at any time, and in any order of maturity directed in writing by the University Representative, and at a price equal to the principal amount thereof so redeemed plus accrued and unpaid interest to the date of redemption, without premium

Mandatory Redemption

(i) If the Board shall purchase the Corporation's leasehold interest in the Facilities pursuant to the Facilities Lease, the Series 2004A Bonds shall be redeemed as a whole and shall be redeemed on the later of (a) August 1, 2014, or (b) the earliest practicable date, but not more than sixty (60) days, after such purchase, and in any event, at a price equal to the principal amount of the Series 2004A Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2004A Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2004A Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Series 2004A Bonds is not an Authorized Denomination, the principal amount of Series 2004A Bonds to be redeemed pursuant to this subsection (b) shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order: first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, the Series 2004A Bonds.

Mandatory Sinking Fund Redemption.

The Series 2004A Bonds maturing on August 1, 2021, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2020 | \$2,515,000 |
| 2021 | 2,645,000 |

The Series 2004A Bonds maturing on August 1, 2024, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

{B0292735.1}

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2023 | \$2,910,000 |
| 2024 | 3,060,000 |

The Series 2004A Bonds maturing on August 1, 2027, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2026 | \$3,375,000 |
| 2027 | 3,545,000 |

The Series 2004A Bonds maturing on August 1, 2031 shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2029 | \$3,900,000 |
| 2030 | 4,095,000 |
| 2031 | 3,350,000 |

If on any occasion less than all of the Series 2004A Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in the Indenture, then the principal amount of the Series 2004A Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above tables. The principal amounts required by the tables above shall be adjusted downward in the amount of principal redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional redemption.

Unless otherwise specified above, if less than all of the Series 2004A Bonds shall be called for redemption, the maturity of the Series 2004A Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2004A Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2004A Bond shall be called for redemption, a new Series 2004A Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

At least thirty (30) days before the redemption date of any Series 2004A Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2004A Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the

{B0292735.1}

proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2004A Bonds then outstanding shall be called for redemption, the numbers of such Series 2004A Bonds to be redeemed and, in the case of Series 2004A Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2004A Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2004A Bond, a new Series 2004A Bond in principal amount equal to the unredeemed portion of such Series 2004A Bond will be issued.

Modifications or alterations of the Indenture or any agreement supplemental thereto or of the Agreement or any agreement supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement. So long as no event of nonperformance under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2004A Bond, do exist, have happened and have been performed in regular and due form as required by law.

IN WITNESS WHEREOF, the **LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY** has caused this Series 2004A Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal or a facsimile thereof to be hereto affixed or printed, and attested by the manual or facsimile signature of its Secretary-Treasurer on August 13, 2004.

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT
AUTHORITY**

[S E A L]

By

George L. Grace, Sr., Chairman

Attest:

David C. Butler, II, Secretary - Treasurer

CERTIFICATE OF AUTHENTICATION

This Series 2004A Bond is one of the Series 2004A Bonds described in the within mentioned Indenture.

Date of Authentication:
AUGUST 13, 2004

**THE BANK OF NEW YORK
TRUST COMPANY, N.A.,**
as Trustee

By:

Authorized Trust Officer

STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at The Bank of New York Trust Company, N.A., in Jacksonville, Florida.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to The Bank of New York Trust Company, N.A. or its successor (the "Trustee") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$60,985,000

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Trustee or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners or the Trustee payment of the Insured Amounts due on such Obligations, less any amount held by the Trustee for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Trustee, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

MBIA INSURANCE CORPORATION

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification
or Social Security Number of Assignee)

the within Series 2004A Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the Series 2004A within Bond on the books kept for registration
thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by: _____

NOTICE: Signature must be guaranteed by a
Participant in the Securities Transfer Agent
Medallion Program.

NOTICE: The signature to this assignment must
correspond with the name as it appears on the
face of the within Series 2004A Bond in every
particular, without alteration, enlargement or any
change whatever.

TRANSFER FEE MAY BE REQUIRED

LEGAL OPINION CERTIFICATE

I, the undersigned Chairman of the Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that attached hereto are true copies of the complete legal opinion of Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P., Baton Rouge, Louisiana, Bond Counsel, the originals of which were manually executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue described therein and were delivered to the original purchaser thereof. I further certify that executed copies of the above-referenced legal opinions are on file in my office and that executed copies thereof have been furnished to the Trustee for these Series 2004A Bonds.

By: _____
George L. Grace, Sr., Chairman

FORM OF SERIES 2004B BOND

Unless this Series 2004B Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2004B Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2004B Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

**Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Bond
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B**

No. RB - 1

\$ _____

| <u>MATURITY DATE</u> | <u>DATED DATE</u> | <u>DATE OF AUTHENTICATION</u> | <u>CUSIP</u> |
|----------------------|-------------------|-------------------------------|--------------|
| _____ | _____ | _____ | _____ |

REGISTERED OWNER:

CEDE & Co.
TAX ID#13-2555119

PRINCIPAL AMOUNT: _____

The **LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY** (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the rate of interest described herein and on the dates set forth herein. The principal of and interest on this Series 2004B Bond are payable in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts. The principal of this Series 2004B Bond shall be payable to the registered owner hereof or his assigns upon surrender hereof at the Corporate Trust Office of The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). Interest on this Series 2004B Bond, when due and payable, shall be paid by check or draft mailed by the Trustee on the interest payment date to the person in whose name this Series 2004B Bond is registered, at the address as it appears on the Bond Register maintained by the Trustee at the close of business on the Business Day next preceding such Interest Payment Date (the "Record Date") irrespective of any transfer or exchange of this Series 2004B Bond subsequent to such Record Date and prior to such Interest Payment Date, unless the Authority shall default in payment of interest due on such interest payment date, provided that an owner of \$1,000,000 or more in aggregate principal amount of Series 2004B Bonds may request payment by wire transfer if such owner has requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of a default, such defaulted interest shall be payable on a payment date established by the Trustee to the person in whose name this Series 2004B Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owner of this Series 2004B Bond not fewer than fifteen (15) days preceding such special record date.

Interest on this Series 2004B Bond is payable on the Business Day following each Auction Date (as defined in the hereinafter defined Indenture) until maturity or earlier redemption or acceleration or conversion of the interest rate payable on this Series 2004B Bond to a Fixed Rate or a Variable Rate as provided in the Indenture (as defined herein) (each an "Interest Payment Date"). Initially, until any such conversion, this Series 2004B Bond shall bear interest at an Auction Rate. The interest rate payable on this Series 2004B Bond while this Series 2004B Bond bears interest at the Auction Rate for any period from and including the later of the Dated Date or the most recent Interest Payment Date to but excluding the next succeeding Interest Payment Date shall, subject to certain exceptions specified in the Indenture, be equal to the aggregate of the interest accrued at the Auction Rate that the Auction Agent appointed pursuant to the Indenture advises has resulted from implementation of the Auction Procedures set forth in the Indenture. The term "Business Day" means any day other than a Saturday, Sunday, or any other day on which banking institutions located in the State of New York, or the state in which the principal corporate trust office of the Trustee is located, are authorized or required not to be open for the transaction of regular banking business or on which the New York Stock Exchange is closed. Interest payable on this Series 2004B Bond shall not exceed the Maximum Auction Rate as determined pursuant to the Indenture. In no event shall the Maximum Auction Rate exceed the least of (i) the Applicable Percentage multiplied by The Bond Market Association Municipal Swap Index; (ii) 12% per annum; or (iii) the maximum rate permitted by applicable law. The interest rate payable on this Series 2004B Bond may be converted from an Auction Rate to a Variable Rate upon satisfaction of certain conditions set

{B0292735.1}

forth in the Indenture. If a proposed Conversion shall have failed then the rate of interest for the Series 2004B Bond Maximum Auction Rate as of the failed Conversion Date for the Interest Accrual Period commencing on such date.

This Series 2004B Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by a duly authorized representative of the Trustee.

This Series 2004B Bond is one of the duly authorized issue of the Authority's Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds"), issued under and secured by the Indenture (hereinafter defined) pursuant to which the Authority is issuing \$15,000,000 aggregate principal amount of said revenue bonds on behalf of University Facilities, Inc., a nonprofit corporation (the "Corporation") for the purpose of: (i) demolishing certain existing facilities and renovating, developing and constructing the Facilities, (ii) funding the costs of marketing the Facilities, (iii) providing working capital for the Facilities, (iv) funding a deposit to the Debt Service Reserve Fund, (v) paying capitalized interest on the Series 2004B Bonds, and (vi) paying costs of issuance of the Series 2004B Bonds, including the premium for any bond insurance policy insuring the Series 2004B Bonds. Simultaneously with the issuance of the Series 2004B Bonds, the Authority will issue \$60,985,000 of revenue bonds designated "Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A" (the "Series 2004A Bonds") and \$925,000 of revenue bonds designated "Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004C" (the "Series 2004C Bonds" and, together with the Series 2004A Bonds and the Series 2004B Bonds, the "Series 2004 Bonds"), authorized to be issued on behalf of the Corporation for the purpose of: (i) paying the Prior Debt, currently outstanding in the amount of \$14,590,000, (ii) demolishing certain existing facilities and renovating, developing and constructing the Facilities, (iii) funding the costs of marketing the Facilities, (iv) providing working capital for the Facilities, (v) funding a deposit to the Debt Service Reserve Fund, (vi) paying capitalized interest on the Series 2004A Bonds and the Series 2004C Bonds (vii) funding a deposit to the Replacement Fund and (viii) paying the costs of issuance of the Series 2004A Bonds and the Series 2004C Bonds, including the premium for any bond insurance policy insuring the Series 2004A Bonds and the Series 2004C Bonds. The proceeds of the Series 2004B Bonds have been loaned to the Corporation pursuant to a Loan Agreement dated as of August 1, 2004, between the Authority and the Corporation (together with all amendments and supplements thereto the "Agreement") for the foregoing purposes. The Board of Supervisors for the University of Louisiana System (the "Board"), acting on behalf of the University, has leased the land upon which the Facilities are and will be located on the campus of the University (the "Land") and the Facilities to the Corporation pursuant to a Ground Lease, and will lease the Facilities from the Corporation pursuant to a Facilities Lease.

The Series 2004B Bonds are issued pursuant to the laws of the State, particularly Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the "Act"), and pursuant to a Trust Indenture dated August 1, 2004, between the Authority and the Trustee (together with all amendments and supplements thereto called the "Indenture"), a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, and to which Indenture reference is hereby made for a more complete description of the assigned revenues constituting the Trust Estate, the nature and extent of the security, the terms and conditions under which the Series 2004B Bonds are issued and secured, the terms and conditions under which Additional Bonds may be issued and secured, the rights, duties and immunities of the Trustee and the rights of the registered owners of the Series 2004B Bonds. The registered owner of this Series 2004B Bond shall have no rights to

{B0292735.1}

enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture, and by acceptance of this Series 2004B Bond, the owner hereof assents to all of the provisions of the Indenture. The Series 2004B Bonds are on a parity with the Series 2004A Bonds and the Series 2004C Bonds under the Indenture. All terms not defined herein shall have the meanings assigned thereto in the Indenture.

The Insurance Policy

Simultaneously with the delivery of the Series 2004B Bonds, in order to provide the registered Owners of the Series 2004B Bonds additional security, MBIA Insurance Corporation (the "Insurer") will issue and deliver on the date of delivery of the Series 2004B Bonds its unconditional and irrevocable municipal bond insurance policy pursuant to which the Insurer will agree to pay the principal of and interest on the Series 2004B Bonds when due if such principal and interest are not paid from funds available under the Indenture, all as more particularly set forth in the Statement of Insurance attached hereto.

The Series 2004B Bonds are issuable as fully registered bonds without coupons, in Authorized Denominations, and shall be numbered from No. R-1 upwards. The Series 2004B Bonds are limited and special revenue obligations of the Authority and are payable solely from (i) payments received by the Authority from the Corporation pursuant to the Agreement (except however, the Authority's rights to exculpation, indemnification and payment of expenses by the Corporation under the Agreement) and (ii) all funds held by the Trustee under the Indenture and available for such payment, said payments and funds being herein referred to as the "Trust Estate." The Agreement, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, provides that the Corporation is unconditionally obligated to make payments, but solely from the Payments (as defined in the Agreement) in an aggregate amount sufficient, for the payment in full of the principal and interest of all Series 2004B Bonds issued and outstanding under the Indenture, to the date of payment thereof, and certain costs, expenses and charges of the Authority and the Trustee. The Agreement imposes upon the Corporation certain obligations respecting the use and operation of its Facilities and the maintenance and repair of said Facilities.

THE SERIES 2004B BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE SERIES 2004B BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THE INDENTURE. THE ISSUANCE OF THE SERIES 2004B BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.

As long as any of the Series 2004B Bonds remain outstanding, there shall be permitted the exchange of Series 2004B Bonds at the principal corporate trust office of the Trustee. Any Series 2004B Bond or Series 2004B Bonds upon surrender thereof at the principal corporate trust office of the Trustee

{B0292735.1}

with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Series 2004B Bonds in Authorized Denominations.

For every such exchange or transfer of Series 2004B Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Trustee shall not be required to register the transfer or exchange of (a) any Series 2004B Bonds during the fifteen (15) day period next preceding the selection of Series 2004B Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2004B Bonds selected for redemption, or (b) any Series 2004B Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2004B Bond to be redeemed in part, the portion thereof not so to be redeemed.

REDEMPTION PROVISIONS

Optional Redemption

The Series 2004B Bonds shall be subject to redemption at the option of the Issuer upon the written direction of the Board, as a whole or in part on the first day of any Auction Period if there are sufficient moneys to make such redemption on such date, at a price equal to the principal amount thereof so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

The Series 2004B Bonds are subject to redemption in part at the option of the Issuer, upon written direction from the Board, on any Interest Payment Date from amounts transferred by the Trustee from the Project Fund to the Principal Account of the Debt Service Fund upon completion of construction of the Facilities in accordance with the Indenture hereof, the Series 2004B Bonds to be redeemed shall be selected by the Trustee in such manner as the Trustee may determine, at a price equal to the principal of the Series 2004B Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

Mandatory Redemption

(i) If the Board shall purchase the Corporation's leasehold interest in the Facilities pursuant to the Facilities Lease, the Series 2004B Bonds shall be redeemed as a whole on the first Interest Payment Date after such purchase, at a price equal to the principal amount of the Series B Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2004B Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2004B Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Series 2004B Bonds is not an Authorized Denomination, the principal amount of Series 2004B Bonds to be

redeemed pursuant to this subsection shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order: first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, the Series 2004A Bonds.

Mandatory Sinking Fund Redemption.

The Series 2004B Bonds maturing on August 1, 2034, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
| 2031 | \$950,000 |
| 2032 | \$4,500,000 |
| 2033 | \$4,675,000 |
| 2034 | \$4,875,000 |

If on any occasion less than all of the Series 2004B Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in the Indenture, then the principal amount of the Series 2004B Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above tables. The principal amounts required by the tables above shall be adjusted downward in the amount of principal redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional redemption.

Unless otherwise specified above, if less than all of the Series 2004B Bonds shall be called for redemption, the maturity of the Series 2004B Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2004B Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2004B Bond shall be called for redemption, a new Series 2004B Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

At least thirty (30) days before the redemption date of any Series 2004B Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2004B Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2004B Bonds then outstanding shall be called for redemption, the numbers of such Series 2004B Bonds to be redeemed and, in the case of Series 2004B Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2004B Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2004B Bond, a new Series 2004B Bond in principal amount equal to the unredeemed portion of such Series 2004B Bond will be issued.

Modifications or alterations of the Indenture or any agreement supplemental thereto or of the Agreement or any agreement supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement. So long as no event of nonperformance {B0292735.1}

under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2004B Bond, do exist, have happened and have been performed in regular and due form as required by law.

IN WITNESS WHEREOF, the **LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY** has caused this Series 2004B Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal or a facsimile thereof to be hereto affixed or printed, and attested by the manual or facsimile signature of its Secretary-Treasurer on August 13, 2004.

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT
AUTHORITY**

[S E A L]

By

George L. Grace, Sr., Chairman

Attest:

David C. Butler, II, Secretary - Treasurer

CERTIFICATE OF AUTHENTICATION

This Series 2004B Bond is one of the Series 2004B Bonds described in the within mentioned Indenture.

Date of Authentication:
AUGUST 13, 2004

**THE BANK OF NEW YORK
TRUST COMPANY, N.A.,**
as Trustee

By: _____

Authorized Trust Officer

STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at The Bank of New York Trust Company, N.A., in Jacksonville, Florida.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to The Bank of New York Trust Company, N.A. or its successor (the "Trustee") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$15,000,000

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Trustee or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners or the Trustee payment of the Insured Amounts due on such Obligations, less any amount held by the insurer against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Trustee, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

MBIA INSURANCE CORPORATION

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification
or Social Security Number of Assignee)

the within Series 2004B Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within Series 2004B Bond on the books kept for registration
thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by: _____

NOTICE: Signature must be guaranteed by a Participant in the Securities Transfer Agent Medallion Program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Series 2004B Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED

LEGAL OPINION CERTIFICATE

I, the undersigned Chairman of the Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that attached hereto are true copies of the complete legal opinion of Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P., Baton Rouge, Louisiana, Bond Counsel, the originals of which were manually executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue described therein and were delivered to the original purchaser thereof. I further certify that executed copies of the above-referenced legal opinions are on file in my office and that executed copies thereof have been furnished to the Trustee for these Series 2004B Bonds.

By: _____
George L. Grace, Sr., Chairman

FORM OF SERIES 2004C BOND

Unless this Series 2004C Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2004C Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2004C Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

**Louisiana Local Government Environmental
Facilities and Community Development Authority
Taxable Revenue Bond
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004C**

No. RC - 1

\$ _____

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>DATED DATE</u> | <u>DATE OF AUTHENTICATION</u> | <u>CUSIP</u> |
|----------------------|----------------------|-------------------|-------------------------------|--------------|
| _____ % | _____ | _____ | _____ | _____ |

REGISTERED OWNER:

CEDE & Co.
TAX ID#13-2555119

PRINCIPAL AMOUNT: _____

The **LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY** (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this Series 2004C Bond are payable in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts. The principal of this Series 2004C Bond shall be payable to the registered owner hereof or his assigns upon surrender hereof at the Corporate Trust Office of The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). Interest on this Series 2004C Bond, when due and payable, shall be paid by check or draft mailed by the Trustee on the interest payment date to the person in whose name this Series 2004C Bond is registered, at the address as it appears on the Bond Register maintained by the Trustee at the close of business on January 15 or July 15, as the case may be next preceding such interest payment date, or if such day shall not be a business Day, the next preceding Business Day (the "Record Date") irrespective of any transfer or exchange of this Series 2004C Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall default in payment of interest due on such interest payment date, provided that an owner of \$1,000,000 or more in aggregate principal amount of Series 2004C Bonds may request payment by wire transfer if such owner has requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of a default, such defaulted interest shall be payable on a payment date established by the Trustee to the person in whose name this Series 2004C Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owner of this Series 2004C Bond not fewer than fifteen (15) days preceding such special record date.

This Series 2004C Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by a duly authorized representative of the Trustee.

This Series 2004C Bond is one of the duly authorized issue of the Authority's Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "Series 2004C Bonds"), issued under and secured by the Indenture (hereinafter defined) pursuant to which the Authority is issuing \$925,000 aggregate principal amount of said revenue bonds on behalf of University Facilities, Inc., a nonprofit corporation (the "Corporation") for the purpose of: (i) paying capitalized interest on the Series 2004C Bonds; (ii) funding a deposit to the Replacement Fund; and (iii) paying costs of issuance of the Series 2004C Bonds, including the premium for any bond insurance policy insuring the Series 2004C Bonds. Simultaneously with the issuance of the Series 2004C Bonds, the Authority will issue \$60,985,000 of revenue bonds designated "Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A" (the "Series 2004A Bonds") and \$15,000,000 of revenue bonds designated "Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B" (the "Series

2004B Bonds" and, together with the Series 2004A Bonds and the Series 2004C Bonds, the "Series 2004 Bonds"), authorized on behalf of the Corporation for the purpose of: (i) paying the Prior Debt, currently outstanding in the amount of \$14,590,000, (ii) demolishing certain existing facilities and renovating, developing and constructing the Facilities, (iii) funding the costs of marketing the Facilities, (iv) providing working capital for the Facilities, (v) funding a deposit to the Debt Service Reserve Fund, (vi) paying capitalized interest on the Series 2004A Bonds and Series 2004B Bonds, (vii) funding a deposit to the Replacement Fund, and (viii) paying costs of issuance of the Series 2004A Bonds and the Series 2004C Bonds, including the premium for any bond insurance policy insuring the Series 2004A Bonds and the Series 2004C Bonds. The proceeds of the Series 2004C Bonds have been loaned to the Corporation pursuant to a Loan Agreement dated as of August 1, 2004, between the Authority and the Corporation (together with all amendments and supplements thereto the "Agreement") for the foregoing purposes. The Board of Supervisors for the University of Louisiana System (the "Board"), acting on behalf of the University, has leased the land upon which the Facilities are and will be located on the campus of the University (the "Land") to the Corporation pursuant to a Ground Lease, and will lease the Facilities from the Corporation pursuant to a Facilities Lease.

The Series 2004C Bonds are issued pursuant to the laws of the State, particularly Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the "Act"), and pursuant to a Trust Indenture dated August 1, 2004, between the Authority and the Trustee (together with all amendments and supplements thereto called the "Indenture"), a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, and to which Indenture reference is hereby made for a more complete description of the assigned revenues constituting the Trust Estate, the nature and extent of the security, the terms and conditions under which the Series 2004C Bonds are issued and secured, the terms and conditions under which Additional Bonds may be issued and secured, the rights, duties and immunities of the Trustee and the rights of the registered owners of the Series 2004C Bonds. The registered owner of this Series 2004C Bond shall have no rights to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture, and by acceptance of this Series 2004C Bond, the owner hereof assents to all of the provisions of the Indenture and the Assignment (hereinafter defined). All terms not defined herein shall have the meanings assigned thereto in the Indenture.

The Series 2004C Bonds are on a parity with the Series 2004A Bonds and the Series 2004B Bonds under the indenture.

The Insurance Policy

Simultaneously with the delivery of the Series 2004C Bonds, in order to provide the registered Owners of the Series 2004C Bonds additional security, MBIA Insurance Corporation (the "Insurer") will issue and deliver on the date of delivery of the Series 2004C Bonds its unconditional and irrevocable municipal bond insurance policy pursuant to which the Insurer will agree to pay the principal of and interest on the Series 2004C Bonds when due if such principal and interest are not paid from funds available under the Indenture, all as more particularly set forth in the Statement of Insurance attached hereto.

The Series 2004C Bonds are issuable as fully registered bonds without coupons, in Authorized Denominations, and shall be numbered from No. R-1 upwards. The Series 2004C Bonds are limited and special revenue obligations of the Authority and are payable solely from (i) payments received by the Authority from the Corporation pursuant to the Agreement (except however, the Authority's rights to

{B0292735.1}

exculpation, indemnification and payment of expenses by the Corporation under the Agreement) and (ii) all funds held by the Trustee under the Indenture and available for such payment, said payments and funds being herein referred to as the "Trust Estate." The Agreement, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, provides that the Corporation is unconditionally obligated to make payments, but solely from the Payments (as defined in the Agreement) in an aggregate amount sufficient, for the payment in full of the principal and interest of all Series 2004C Bonds issued and outstanding under the Indenture, to the date of payment thereof, and certain costs, expenses and charges of the Authority and the Trustee. The Agreement imposes upon the Corporation certain obligations respecting the use and operation of its Facilities and the maintenance and repair of said Facilities.

THE SERIES 2004C BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE SERIES 2004C BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THE INDENTURE. THE ISSUANCE OF THE SERIES 2004C BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.

As long as any of the Series 2004C Bonds remain outstanding, there shall be permitted the exchange of Series 2004C Bonds at the principal corporate trust office of the Trustee. Any Series 2004C Bond or Series 2004C Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Bonds in Authorized Denominations.

For every such exchange or transfer of Series 2004C Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Trustee shall not be required to register the transfer or exchange of (a) any Series 2004C Bonds during the fifteen (15) day period next preceding the selection of Series 2004C Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2004C Bonds selected for redemption, or (b) any Series 2004C Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2004C Bond to be redeemed in part, the portion thereof not so to be redeemed.

REDEMPTION PROVISIONS

Mandatory Redemption

(i) If the Board shall purchase the Corporation's leasehold interest in the Facilities pursuant to the Facilities Lease, the Series 2004C Bonds shall be redeemed as a whole and shall

{B0292735.1}

be redeemed on the later of (a) August 1, 2014, or (b) the earliest practicable date, but not more than sixty (60) days, after such purchase, and in any event, at a price equal to the principal amount of the Series 2004C Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2004C Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2004C Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Series 2004C Bonds is not an Authorized Denomination, the principal amount of Series 2004C Bonds to be redeemed pursuant to this subsection (b) shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order: first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, the Series 2004A Bonds.

Unless otherwise specified above, if less than all of the Series 2004C Bonds shall be called for redemption, the maturity of the Series 2004C Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2004C Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2004C Bond shall be called for redemption, a new Series 2004C Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

At least thirty (30) days before the redemption date of any Series 2004C Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2004C Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2004C Bonds then outstanding shall be called for redemption, the numbers of such Series 2004C Bonds to be redeemed and, in the case of Series 2004C Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2004C Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2004C Bond, a new Series 2004C Bond in principal amount equal to the unredeemed portion of such Series 2004C Bond will be issued.

Modifications or alterations of the Indenture or any agreement supplemental thereto or of the Agreement or any agreement supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement. So long as no event of nonperformance under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to

and in the execution and delivery of the Indenture and the issuance of this Series 2004C Bond, do exist, have happened and have been performed in regular and due form as required by law.

IN WITNESS WHEREOF, the **LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY** has caused this Series 2004C Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal or a facsimile thereof to be hereto affixed or printed, and attested by the manual or facsimile signature of its Secretary-Treasurer on August 13, 2004.

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT
AUTHORITY**

[S E A L]

By _____
George L. Grace, Sr., Chairman

Attest:

David C. Butler, II, Secretary - Treasurer

CERTIFICATE OF AUTHENTICATION

This Series 2004C Bond is one of the Series 2004C Bonds described in the within mentioned Indenture.

Date of Authentication:
AUGUST 13, 2004

**THE BANK OF NEW YORK
TRUST COMPANY, N.A.,**
as Trustee

By: _____
Authorized Trust Officer

STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at The Bank of New York Trust Company, N.A., in Jacksonville, Florida.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to The Bank of New York Trust Company, N.A. or its successor (the "Trustee") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$925,000

Louisiana Local Government Environmental
Facilities and Community Development Authority
Taxable Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004C

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Trustee or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners or the Trustee payment of the Insured Amounts due on such Obligations, less any amount held by the Trustee for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Trustee, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

MBIA INSURANCE CORPORATION

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification
or Social Security Number of Assignee)

the within Series 2004C Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within Series 2004C Bond on the books kept for registration
thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by: _____

NOTICE: Signature must be guaranteed by a
Participant in the Securities Transfer Agent
Medallion Program.

NOTICE: The signature to this assignment must
correspond with the name as it appears on the
face of the within Series 2004C Bond in every
particular, without alteration, enlargement or any
change whatever.

TRANSFER FEE MAY BE REQUIRED

LEGAL OPINION CERTIFICATE

I, the undersigned Chairman of the Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that attached hereto are true copies of the complete legal opinion of Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P., Baton Rouge, Louisiana, Bond Counsel, the originals of which were manually executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue described therein and were delivered to the original purchaser thereof. I further certify that executed copies of the above-referenced legal opinions are on file in my office and that executed copies thereof have been furnished to the Trustee for these Series 2004C Bonds.

By: _____
George L. Grace, Sr., Chairman

FORM OF PROJECT FUND REQUISITION

\$60,985,000

Louisiana Local Government Environmental Facilities and Community
Development Authority Revenue Bonds (Southeastern Louisiana University
Student Housing/University Facilities, Inc. Project) Series 2004A

\$15,000,000

Louisiana Local Government Environmental Facilities and Community
Development Authority Revenue Bonds (Southeastern Louisiana University
Student Housing/University Facilities, Inc. Project) Series 2004B

\$925,000

Louisiana Local Government Environmental Facilities and Community
Development Authority Taxable Revenue Bonds (Southeastern Louisiana University
Student Housing/University Facilities, Inc. Project) Series 2004C

Attention: _____

Date: _____

Requisition Number:

The undersigned Authorized Corporate Representative, acting for and on behalf of University Facilities, Inc. pursuant to a Trust Indenture dated as of August 1, 2004 (the "Indenture") by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") and The Bank of New York Trust Company, N.A., as trustee, relating to the above captioned issue of Bonds (the "Bonds") hereby requests payment be made from amounts on deposit in the Project Fund held by the Trustee pursuant to Section 4.4 of the Indenture to the person, firm or corporation in the amount and for the purpose set forth below. Capitalized terms used herein shall have the meanings ascribed thereto in the Indenture.

Name and address of payee:

Amount of Payment: \$ _____

Purpose of Payment and costs heretofore paid and remainder of budgeted costs:

The undersigned Authorized Corporation Representative further certifies with respect to this Requisition as follows:

1. The amount paid to be paid, as set forth herein, has been incurred by the Corporation and is either (i) presently due and payable or (ii) has been paid by the Corporation and is a proper charge against the Project Fund created pursuant to the Indenture and has not been the subject of any prior requisition;

2. This requisition contains no item representing payment on account of any retainage to which the Corporation is entitled as of this date; and

3. All work, materials, supplies and equipment which are the subject of this requisition have been performed or delivered and are in accordance with the description of the Facilities.

By: _____
Name:
Title:

Paid: _____, 20__

Authorized Officer of Trustee:

FORM OF REPLACEMENT FUND REQUISITION

\$60,985,000

Louisiana Local Government Environmental Facilities and Community
Development Authority Revenue Bonds (Southeastern Louisiana University
Student Housing/University Facilities, Inc. Project) Series 2004A

\$15,000,000

Louisiana Local Government Environmental Facilities and Community
Development Authority Revenue Bonds (Southeastern Louisiana University
Student Housing/University Facilities, Inc. Project) Series 2004B

\$925,000

Louisiana Local Government Environmental Facilities and Community
Development Authority Taxable Revenue Bonds (Southeastern Louisiana University
Student Housing/University Facilities, Inc. Project) Series 2004C

Attention: _____

Date: _____

Requisition Number: _____

The undersigned representative, acting for and on behalf of Southeastern Louisiana University (the "University") pursuant to a Trust Indenture dated as of August 1, 2004 (the "Indenture") by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") and The Bank of New York Trust Company, N.A., as Trustee, relating to the above captioned issue of Bonds (the "Bonds") hereby requests payment be made from amounts on deposit in the Replacement Fund held by the Trustee pursuant to Section 4.23 of the Indenture to be used by the University in the amount and for the purpose set forth below. Capitalized terms used herein shall have the meanings ascribed thereto in the Indenture.

Amount of Payment: \$ _____

Purpose of Payment pursuant to Section 4.23 of the Indenture:

By: _____

Name: _____

Title: _____

Paid: _____, 20__

Authorized Officer of Trustee:

BROKER-DEALER AGREEMENT

between

[NAME OF AUCTION AGENT],
as Auction Agent

and

MORGAN KEEGAN & COMPANY, INC.
as Broker-Dealer

Dated as of August 1, 2004

Relating to

\$ _____
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B

BROKER-DEALER AGREEMENT

THIS BROKER-DEALER AGREEMENT (the "Agreement") is entered into and dated as of August 1, 2004, by and between [NAME OF AUCTION AGENT], a _____ (together with any successors and assigns, the "Auction Agent"), as agent for the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana (together with any successors and assigns, the "Issuer"), and MORGAN KEEGAN & COMPANY, INC., a municipal securities dealer (together with any successors and assigns, "BD").

WHEREAS, the Issuer proposes to issue its \$[Amount of A Bonds] in aggregate principal amount of its Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds") pursuant to a Trust Indenture (the "Indenture") of even date herewith between the Issuer and The Bank of New York Trust Company, N.A., as Trustee (the "Trustee");

WHEREAS, the Trustee has entered into an Auction Agency Agreement, dated as of August 1, 2004, with the Auction Agent and the Issuer (the "Auction Agency Agreement") pursuant to which the Auction Agent has agreed to execute and deliver this Broker-Dealer Agreement; and

WHEREAS, the Indenture provides that the Series 2004B will bear interest at the Auction Rate during each Interest Accrual Period after the initial Interest Period, which Auction Rate, except under certain circumstances, shall be determined by the Auction Agent pursuant to the Auction Procedures; and

WHEREAS, the Auction Procedures require the participation of one or more Broker-Dealers.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Auction Agent and BD hereby agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Terms Defined by Reference to Indenture and Auction Agency Agreement.

Capitalized terms not defined herein or in the exhibits hereto shall have the respective meanings specified in the Indenture and the Auction Agency Agreement.

Section 1.2. Terms Defined Herein.

As used herein, in the exhibits hereto and in the Settlement Procedures (as defined below), the following terms shall have the following meanings, unless the context otherwise requires:

- (a) "Auction" shall mean periodic operation of Auction Procedures.
- (b) "Authorized Auction Agent Officer" shall mean each Senior Vice President, Vice President, Assistant Vice President, Assistant Secretary, Assistant Treasurer, and Corporate Financial Services Officer of the Auction Agent and every other officer of the Auction Agent assigned to its Corporate Capital Markets Trust Services Division and every other officer or employee of the Auction Agent designated as an "Authorized Auction Agent Officer" for purposes of this Agreement, in this Agreement or in a communication to BD.
- (c) "BD Officer" shall mean each officer or employee of BD designated as a "BD Officer" for purposes of this Agreement in a communication to the Auction Agent.
- (d) "Broker-Dealer Agreement" or "Agreement" shall mean this Broker-Dealer Agreement and any substantially similar agreement between the Auction Agent and a Broker-Dealer.
- (e) "Notice of Failure to Deliver or Make Payment" shall mean a notice substantially in the form of Exhibit A hereto.
- (f) "Notice of Transfer" shall mean a notice substantially in the form of Exhibit B hereto.
- (g) "Order Form" shall mean the form to be submitted by any Broker-Dealer on or prior to any Auction Date substantially in the form of Exhibit C hereto.
- (h) "Settlement Procedures" shall mean the settlement procedures attached hereto as Exhibit D.

Section 1.3. Rules of Construction.

Unless the context or use indicates another or different meaning or intent, the following rules shall apply to the construction of this Agreement:

- (a) Words importing the singular number shall include the plural number and vice versa.
- (b) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect the meaning, construction or effect of any provision of this Agreement.
- (c) The words "hereof", "herein", "hereto" and other words of similar import refer to this Agreement as a whole.
- (d) All references herein to a particular time of day shall be to New York City time.

ARTICLE II

THE AUCTION

Section 2.1. Purpose; Incorporation by Reference of Auction Procedures and Settlement Procedures.

(a) The Auction Agent shall conduct Auctions on each Auction Date in accordance with the Auction Procedures for the purpose of determining the Auction Rate for the Series 2004B during each Interest Accrual Period after the Initial Period.

(b) All of the provisions contained in the Auction Procedures and the Settlement Procedures are incorporated herein by reference in their entirety and shall be deemed to be a part of this Agreement to the same extent as if such provisions were fully set forth herein.

(c) BD agrees to act as, to assume the obligations of and to be subject to the limitations and restrictions placed upon a Broker-Dealer under this Agreement. BD understands that other Persons meeting the requirements of a Broker-Dealer contained in the Auction Agency Agreement may execute Broker-Dealer Agreements and participate as Broker-Dealers in Auctions.

Section 2.2. Preparation for Each Auction.

(a) Not later than 9:30 a.m. on each Auction Date, the Auction Agent shall calculate the All-Hold Rate and the Maximum Auction Rate and shall provide notice by telephone or other electronic communication acceptable to the parties thereof to the Broker-Dealers, the Authority and the Trustee.

(b) In the event that the Auction Date for any Auction shall be changed after the Auction Agent has given the notice of such Auction, the Auction Agent, by such means as the Auction Agent deems practicable, shall give notice of such change to BD not later than 9:15 a.m. on the earlier of the new Auction Date or the old Auction Date. Thereafter, BD shall use its best efforts to promptly notify its customers who are Existing Owners of such change in the Auction Date.

(c) From time to time upon request of the Auction Agent, BD shall provide the Auction Agent with a statement in writing of the aggregate amount of Series 2004B held by BD as an Existing Owner for its own account or otherwise.

(d) The Auction Agent shall send to BD by telecopy or other means a copy of any Notice of Bonds Outstanding received from the Trustee in the manner prescribed under Section 4.3 hereof.

Section 2.3. Auction Schedule; Method of Submission of Orders.

(a) The Auction Agent shall conduct Auctions in accordance with the schedule set forth below. Such schedule shall be changed by the Auction Agent if directed in writing by the Trustee and the Market Agent, to reflect then currently accepted market practices for similar auctions. The

Auction Agent shall give written notice of any such change to BD. Such notice shall be given prior to the close of business on the Business Day next preceding the first Auction Date on which any such change shall be effective.

| <u>Time</u> | <u>Event</u> |
|---|--|
| By 9:30 A.M. | Auction Agent advises the Trustee, the Authority and the Broker-Dealers of the All-Hold Rate and the Maximum Auction Rate to be used in determining the Auction Rate under the Auction Procedures, the Indenture and the Auction Agency Agreement. |
| 9:30 A.M. - 1:00 P.M. | Auction Agent assembles information communicated to it by Broker-Dealers as provided in Section 3.15(c)(i) of the Indenture. Submission Deadline is 1:00 P.M. |
| As soon as practical after 1:00 P.M. | Auction Agent makes determinations pursuant to Section 3.15(c)(i) of the Indenture. Auction Agent then advises the Corporation and the Broker-Dealers of the Auction Rate as provided in Section 3.15(c)(ii). |
| By approximately 3:00 P.M. but not later than the close of business | Auction Agent advises the Trustee of results of the Auction as provided in Section 3.15(c)(ii) of the Indenture. Submitted Bids and Submitted Sell Orders are accepted and rejected as provided in Section 3.15(d) of the Indenture. |

The Auction Agent shall follow the notification procedures set forth in paragraph (a) of the Settlement Procedures.

(b) BD agrees to maintain a list of Potential Owners and to contact such Potential Owners on such list on or prior to each Auction Date for the purpose of participating in the Auction on such Auction Date.

(c) BD shall submit Orders to the Auction Agent in writing by delivering an Order Form. BD shall submit a separate Order to the Auction Agent for each Potential Owner or Existing Owner on whose behalf BD is submitting an Order and shall not net or aggregate the Orders of any such Potential Owners or Existing Owners.

(d) BD shall deliver to the Auction Agent (i) a Notice of Transfer with respect to any transfer of Series 2004B made through BD by an Existing Owner to another Person other than in connection with an Auction, and (ii) a Notice of Failure to Deliver or Make Payment with respect to (A) a seller's failure to deliver any of the Series 2004B to any Person that purchased Series 2004B through BD pursuant to a prior Auction, or (B) a purchaser's failure to make payment to any Person

that sold and delivered Series 2004B through BD pursuant to a prior Auction; provided, however, the Auction Agent shall not be required to accept any such notice(s) delivered by BD in connection with an Auction unless received prior to 3:00 p.m. on the Business Day next preceding the related Auction Date.

(e) BD agrees to handle its customers' Orders in accordance with its duties under applicable securities laws and rules.

Section 2.4. Notices.

(a) On each Auction Date, the Auction Agent shall provide notification to BD of the information set forth in paragraph (a) of the Settlement Procedures. Upon the request by BD, by approximately 10:30 a.m. on the Business Day next succeeding each Auction Date, the Auction Agent shall notify BD in writing of the disposition of all Orders submitted by BD in the Auction held on such Auction Date.

(b) BD shall provide notification to each Existing Owner or Potential Owner (on whose behalf BD submitted an Order) of the information set forth in paragraph (b) of the Settlement Procedures and take such other action as is required of BD pursuant to the Settlement Procedures.

(c) The Auction Agent shall deliver to BD all notices and certificates that the Auction Agent is required to deliver to BD at such times and in such manner set forth in the Auction Agency Agreement.

Section 2.5. Service Charge To Be Paid To BD.

(a) Not later than 2:00 p.m. on the Business Day following each (i) Auction Rate Adjustment Date with respect to each Auction Period of not greater than 180 days, or (ii) calendar quarter when the Auction Period is greater than 180 days, the Auction Agent shall pay to BD a fee, in immediately available funds, from monies received from the Trustee, in an amount equal to the product of (A) a fraction, the numerator of which is the number of days since the latter of the closing date or the date the fee was last paid and the denominator of which is 360, times (B) the Broker-Dealer Fee Rate (as defined in Section 4.5 of the Auction Agency Agreement), times (C) the aggregate principal amount of Series 2004B placed by BD in such period that were (x) the subject of Submitted Bids of Existing Owners submitted by BD and continued to be held as a result of such submission and (y) the subject of Submitted Bids of Potential Owners submitted by BD and purchased as a result of such submission, plus (I) the aggregate principal amount of Series 2004B subject to valid Hold Orders submitted to the Auction Agent by BD, plus (II) the aggregate principal amount of Series 2004B that were covered by Hold Orders deemed to have been submitted by Existing Owners that were acquired by such Existing Owners through BD.

(b) For purposes of subparagraph (a) above, if any Existing Owner who acquired Series 2004B through the BD transfers those Series 2004B to another Person other than in connection with an Auction, then BD shall continue to be the Broker-Dealer through which the Series 2004B so transferred were acquired; provided, however, that if the transfer was effected by, or if the transferee

is a Broker-Dealer other than BD, then such other Broker-Dealer shall be the Broker-Dealer through which such Series 2004B were acquired.

Section 2.6. Settlement.

(a) If BD fails to instruct its Participant to deliver the Series 2004B against payment therefore with respect to a Bid or Sell Order submitted on behalf of any Existing Owner that was accepted, BD may deliver to a Potential Owner on whose behalf BD submitted a Bid that was accepted, the Series 2004B in a principal amount less than such amount specified in such Bid. Notwithstanding the foregoing terms of this Section 2.6(a), any delivery or nondelivery of Series 2004B which departs from the results of an Auction (as determined by the Auction Agent) shall have no effect unless and until notice in writing of such delivery or nondelivery shall have been provided to the Auction Agent in accordance with Section 2.3(e) hereof. The Auction Agent shall have no duty or liability with respect to enforcement of this Section 2.6(a).

(b) None of the Auction Agent, the Trustee or the Issuer shall have any duty or liability with respect to the failed delivery or nonpayment of Series 2004B sold or purchased by an Existing Owner, a Potential Owner or its respective Participant pursuant to the Auction Procedures or otherwise. The Auction Agent shall have no responsibility for any adjustment of the fees paid pursuant to Section 2.5 hereof as a result of any failed delivery or nonpayment described in this Section 2.6(b).

ARTICLE III

THE AUCTION AGENT; REPRESENTATIONS AND WARRANTIES

Section 3.1. Duties and Responsibilities.

(a) The Auction Agent is acting solely as agent of the Issuer hereunder and owes no duties, fiduciary or otherwise, to any other Person by reason of this Agreement or the Auction Agency Agreement and no implied duties, fiduciary or otherwise, shall be read into this Agreement or the Auction Agency Agreement against the Auction Agent.

(b) The Auction Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Auction Agent.

(c) In the absence of bad faith or negligence on its part, the Auction Agent, whether acting directly or through agents, attorneys, nominees or custodians as provided in Section 3.15(d), shall not be liable for any action taken, suffered or omitted or for any error of judgment made by it in the performance of its duties under this Agreement. The Auction Agent shall not be liable for any error of judgment made in good faith unless the Auction Agent shall have been negligent in ascertaining (or failing to ascertain) the pertinent facts necessary to make such judgment. In no event shall the Auction Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever.

(d) The Auction Agent shall not be: (i) required to, and does not, make any representations or have any responsibilities as to the validity, accuracy, value or genuineness of any signatures or endorsements, other than its own; (ii) obligated to take any legal action hereunder that might, in its judgment, involve any expense or liability, unless it has been furnished with indemnity satisfactory to the Auction Agent; and (iii) responsible for or liable in any respect on account of the identity, authority or rights of any Person executing or delivering or purporting to execute or deliver any document under this Agreement, the Auction Agency Agreement or any other instrument or agreement executed in connection with the transactions contemplated herein.

Section 3.2. Rights of the Auction Agent.

(a) The Auction Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any communication authorized by this Agreement and upon any written instruction, notice, request, direction, consent, report, certificate, or other instrument, paper or document believed by it to be genuine. The Auction Agent shall not be liable for acting upon any such communication authorized hereby (including but not limited to, any telephone communication or other electronic communication acceptable to the parties) authorized by this Agreement which the Auction Agent believes in good faith to have been given by the Trustee or by a Broker-Dealer or any agent thereof. The Auction Agent may record telephone communications with BD.

(b) The Auction Agent may consult with counsel of its choice, and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Auction Agent shall not be required to advance, expend or risk its own funds or otherwise incur or become exposed to financial liability in the performance of its duties hereunder.

(d) The Auction Agent may perform its duties and exercise its rights hereunder either directly or by or through agents, attorneys, nominees or custodians and shall not be responsible for any misconduct or negligence on the part of, or for the supervision of, any agent, attorney, nominee or custodian appointed by it with due care hereunder.

(e) The Auction Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fires; floods; wars; civil or military disturbances; acts of terrorism; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; and acts of civil or military authority or governmental actions; it being understood that the Auction Agent shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(f) The Auction Agent shall have no obligation to monitor or liability in respect of the registration or exemption therefrom of the Series 2004B (or any beneficial ownership interest

therein) under any federal or state securities laws or in respect of any transfer of the Series 2004B (or any beneficial ownership interest therein) pursuant to the terms of this Agreement, any Broker-Dealer Agreement or any other document contemplated by any thereof, including, but not limited to, compliance with any such laws in regards to any such registration, exemption or transfer or in respect of any of the DTC's procedures applicable to transactions between itself and its agent members or others.

Section 3.3. The Auction Agent's Disclaimer.

The Auction Agent makes no representation as to and assumes no responsibility for the correctness of the recitals in, or the validity, accuracy or adequacy of, this Agreement, the Auction Agency Agreement, the Series 2004B, any offering document used to make offers or sales thereof or any other agreement or instrument executed in connection with the transactions contemplated herein with respect to the other parties hereto or thereto.

Section 3.4. Representations and Warranties of BD.

BD represents and warrants to the Auction Agent that:

(a) This Agreement has been duly and validly authorized, executed and delivered by BD and, assuming due authorization, execution and delivery by the Auction Agent, constitutes the legal, valid and binding obligation of BD, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general equity principles;

(b) The execution, delivery and performance of this Agreement by BD do not and will not conflict with, or result in a violation of, the terms, conditions or provisions of, or constitute a default under any law, decree, order, rule or regulation of any court or governmental agency having jurisdiction over the Trustee, or any agreement, indenture, instrument, mortgage or undertaking to which BD is a party or by which it is bound; and

(c) All approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction over BD which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by BD of its obligations under this Agreement have been obtained.

ARTICLE IV

MISCELLANEOUS

Section 4.1. Termination.

Either party may terminate this Agreement at any time on thirty (30) days' notice to the other party. This Agreement and any other Broker-Dealer Agreements shall automatically terminate upon (i) the termination of the Auction Agency Agreement or (ii) a conversion of the Series 2004B to another methodology for determining the rate of interest thereon as provided in the Indenture.

Section 4.2. Participant.

Either (i) BD is, and shall remain until the termination of this Agreement, a participant in, or member of, the Securities Depository, or (ii) BD may designate a Participant to act on BD's behalf for purposes of this Agreement. If BD wishes to resign as a participant in, or member of, the Securities Depository, and/or to designate a different Participant to act on its behalf, BD shall give the Auction Agent at least two business days notice prior to the effective date of such change.

Section 4.3. Communications.

Except for (i) communications authorized to be made by telephone pursuant to this Agreement or the Auction Procedures and (ii) communications in connection with Auctions (other than those expressly required to be in writing), all notices, requests and other communications to either party hereunder shall be in writing (including telecopy or similar writing or other electronic communication acceptable to the parties) and shall be given to such party, addressed to it, at its address, telecopier number or email address set forth below and, where appropriate, reference the particular Auction to which such notice relates:

If to BD:

Morgan Keegan & Company, Inc.

Memphis, Tennessee _____

Attention: _____

Facsimile No.: (901) _____ - _____

Telephone No.: (901) _____ - _____

If to the Auction Agent:

[Name of Auction Agent]

Attention: _____

Telephone No.: (_____) _____ - _____

Facsimile No.: (_____) _____ - _____

If to Bond Insurer:

MBIA Insurance Corporation

Attention: _____

Facsimile No.: () _____ - _____

Telephone No.: () _____ - _____

or such other address, telecopier number or email address as such party may hereafter specify for such purpose by notice to the other party. Each such notice, request or communication shall be effective (i) if given by telecopy when such telecopy is transmitted to the telecopier specified herein, or (ii) if given by any other means when delivered at the address specified herein. Communications shall be given on behalf of BD by a BD Officer and on behalf of the Auction Agent by an Authorized Auction Agent Officer. BD may record, by tape or otherwise, telephone communications with the Auction Agent.

Section 4.4. Entire Agreement.

This Agreement contains the entire agreement between the parties relating to the subject matter hereof, and there are no other representations, endorsements, promises, agreements or understandings, oral, written or inferred, between the parties relating to the subject matter hereof.

Section 4.5. Benefits.

Nothing in this Agreement, express or implied, shall give to any Person, other than the Auction Agent and BD and their respective successors and assigns, any benefit of any legal or equitable right, remedy or claim under this Agreement. The Bond Insurer is a third party beneficiary of this Agreement.

Section 4.6. Amendment; Waiver.

(a) This Agreement shall not be deemed or construed to be modified, amended, rescinded, cancelled or waived, in whole or in part, except by a written instrument signed by an authorized representative of the parties hereto. This Agreement may not be amended without first obtaining the prior written consent of the Issuer.

(b) Failure of either party to this Agreement to exercise any right or remedy hereunder in the event of a breach of this Agreement by the other party shall not constitute a waiver of any such right or remedy with respect to any subsequent breach.

(c) The Auction Agent may, but shall have no obligation to, execute any amendment or waiver which effects its rights, powers, immunities or indemnities hereunder.

Section 4.7. Successors and Assigns.

This Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and assigns. This Agreement may not be assigned by either party hereto absent the prior written consent of the other party, which consents shall not be unreasonably withheld or delayed.

Section 4.8. Severability.

If any clause, provision or section of this Agreement shall be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof.

Section 4.9. Execution in Counterparts.

This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 4.10. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana; provided, however, that the rights, powers and duties of the Auction Agent shall be construed in accordance with the laws of the State of New York.

[Execution follows on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Broker-Dealer Agreement to be duly executed and delivered by their proper and duly authorized officers as of the date first above written.

[NAME OF AUCTION AGENT], as Auction Agent

By: _____
Title: _____

MORGAN KEEGAN & COMPANY, INC., as
Broker-Dealer

By _____
Managing Director

\$ _____
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

NOTICE OF FAILURE TO DELIVER OR MAKE PAYMENT

Complete either I or II

- I. We are a Broker-Dealer for ____ (the "Purchaser"), which purchased \$ ____* of the Series 2004B in the Auction held on ____ from the seller of such Series 2004B.

- II. We are a Broker-Dealer for ____ (the "Seller"), which sold \$ ____* of the Series 2004B in the Auction held on ____ to the purchaser of such Series 2004B.

We hereby notify you that (check one)--

___ The Seller failed to deliver such Series 2004B to the Purchaser.

___ The Purchaser failed to make payment to the Seller upon delivery of such Series 2004B.

Name:
(Name of Broker-Dealer)

By _____
Name _____
Title _____

* Series 2004B may only be transferred in Units of \$25,000.

(To be used only for transfers made other than pursuant to an Auction)

\$ _____
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

NOTICE OF TRANSFER

We are (check one):

- ___ the Existing Owner named below;
- ___ the Broker-Dealer named below; or
- ___ the Participant for such Existing Owner.

We hereby notify you that such Existing Owner has transferred \$___* of the above-referenced bonds to _____.

(Name of Existing Owner)

(Name of Broker-Dealer)

(Name of Participant)

By _____
Name _____
Title _____

* Series 2004B may only be transferred in Units of \$25,000.

\$ _____
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

ORDER FORM

AUCTION DATE _____

The undersigned Broker-Dealer submits the following Orders on behalf of the Bidder(s) indicated below:

BIDS BY EXISTING OWNERS

| <u>EXISTING OWNER*</u> | <u>PRINCIPAL AMOUNT OF BONDS (\$25,000 OR MULTIPLES)</u> | <u>BID RATE</u> |
|------------------------|--|-----------------|
| 1. _____ | _____ | _____ |
| 2. _____ | _____ | _____ |
| 3. _____ | _____ | _____ |
| 4. _____ | _____ | _____ |
| 5. _____ | _____ | _____ |
| 6. _____ | _____ | _____ |
| 7. _____ | _____ | _____ |
| 8. _____ | _____ | _____ |
| 9. _____ | _____ | _____ |
| 10. _____ | _____ | _____ |

*Existing Owners may be described by name or other reference as determined in the sole discretion of the Broker-Dealer.

\$ _____
 LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
 COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
 LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
 PROJECT) SERIES 2004B

BIDS BY POTENTIAL OWNERS

| <u>POTENTIAL OWNER*</u> | <u>PRINCIPAL AMOUNT OF BONDS (\$25,000 OR MULTIPLES)</u> | <u>BID RATE</u> |
|-------------------------|--|-----------------|
| 1. _____ | _____ | _____ |
| 2. _____ | _____ | _____ |
| 3. _____ | _____ | _____ |
| 4. _____ | _____ | _____ |
| 5. _____ | _____ | _____ |
| 6. _____ | _____ | _____ |
| 7. _____ | _____ | _____ |
| 8. _____ | _____ | _____ |
| 9. _____ | _____ | _____ |
| 10. _____ | _____ | _____ |
| 11. _____ | _____ | _____ |
| 12. _____ | _____ | _____ |
| 13. _____ | _____ | _____ |
| 14. _____ | _____ | _____ |
| 15. _____ | _____ | _____ |

*Potential Owners may be described by name or other reference as determined in the sole discretion of the Broker-Dealer.

NOTES:

1. If one or more Orders covering in the aggregate more than the outstanding principal amount of Series 2004B held by any Existing Owner are submitted, such Orders shall be considered valid in the order of priority set forth in the Auction Procedures.
2. A Hold or Sell Order may be placed only by an existing Owner covering a principal amount of Series 2004B not greater than the principal amount currently held by such Existing Owner.
3. Potential Owners may only make Bids, each of which must specify a rate. If more than one Bid is submitted on behalf of any Potential Owner, each Bid submitted shall be a separate Bid with the rate specified herein.
4. Bids may contain no more than three figures to the right of the decimal point (.001 of 1%).
5. An Order must be submitted in principal amounts of \$25,000 or integral multiples thereof.

NAME OF BROKER-DEALER: _____

AUTHORIZED SIGNATURE: _____

TOTAL NUMBER OF ORDERS ON THIS ORDER FORM: _____

Submit to:

_____ Bank

Telephone: _____

Facsimile: _____

SETTLEMENT PROCEDURES

Capitalized terms used herein shall have the respective meanings specified in the Indenture.

(a) Not later than 3:00 P.M. on each Auction Date, the Auction Agent is required to notify by telephone the Broker-Dealers that participated in the Auction held on such Auction Date and submitted an Order on behalf of any Existing Owner or Potential Owner of:

- (i) the Auction Rate fixed for the next Interest Accrual Period;
- (ii) whether there were Sufficient Clearing Bids in such Auction;

(iii) if such Broker-Dealer (a "Seller's Broker-Dealer") submitted a Bid or a Sell Order on behalf of an Existing Owner, whether such Bid or Sell Order was accepted or rejected, in whole or in part, and the principal amount of Series 2004B, if any, to be sold by such Existing Owner;

(iv) if such Broker-Dealer (a "Buyer's Broker-Dealer") submitted a Bid on behalf of a Potential Owner, whether such Bid was accepted or rejected, in whole or in part, and the principal amount of Series 2004B, if any, to be purchased by such Potential Owner;

(v) if the aggregate principal amount of Series 2004B to be sold by all Existing Owners on whose behalf such Seller's Broker-Dealer submitted Bids or Sell Orders exceeds the aggregate principal amount of Series 2004B to be purchased by all Potential Owners on whose behalf such Buyer's Broker-Dealer submitted a Bid, the name or names of one or more other Buyer's Broker-Dealers (and the Participant, if any, of each such other Buyer's Broker-Dealer) acting for one or more purchasers of such excess principal amount of Series 2004B and the principal amount of Series 2004B to be purchased from one or more Existing Owners on whose behalf such Seller's Broker-Dealer acted by one or more Potential Owners on whose behalf each of such Buyer's Broker-Dealers acted; and

(vi) if the principal amount of Series 2004B to be purchased by all Potential Owners on whose behalf such Buyer's Broker-Dealer submitted a Bid exceeds the amount of Series 2004B to be sold by all Existing Owners on whose behalf such Seller's Broker-Dealer submitted a Bid or a Sell Order, the name or names of one or more Seller's Broker-Dealers (and the name of the agent member, if any, of each such Seller's Broker-Dealer) acting for one or more sellers of such excess principal amount of Series 2004B and the principal amount of Series 2004B to be sold to one or more Potential Owners on whose behalf such Buyer's Broker-Dealer acted by one or more Existing Owners on whose behalf each of such Seller's Broker-Dealers acted; and

- (vii) the Auction Date for the next succeeding Auction.

(b) On each Auction Date, each Broker-Dealer that submitted an Order on behalf of any Existing Owner or Potential Owner shall:

(i) advise each Existing Owner and Potential Owner on whose behalf such Broker-Dealer submitted a Bid or Sell Order in the Auction on such Auction Date whether such Bid or Sell Order was accepted or rejected, in whole or in part;

(ii) in the case of a Broker-Dealer that is a Buyer's Broker-Dealer, advise each Potential Owner on whose behalf such Buyer's Broker-Dealer submitted a Bid that was accepted, in whole or in part, to instruct such Potential Owner's Participant to pay to such Buyer's Broker-Dealer (or its Participant) through the Securities Depository the amount necessary to purchase the principal amount of Series 2004B to be purchased pursuant to such Bid against receipt of such principal amount of Series 2004B;

(iii) in the case of a Broker-Dealer that is a Seller's Broker-Dealer, instruct each Existing Owner on whose behalf such Broker-Dealer submitted a Sell Order that was accepted, in whole or in part, or a Bid that was accepted, in whole or in part, to instruct such Existing Owner's Participant to deliver to such Seller's Broker-Dealer (or its Participant) through the Securities Depository the principal amount of Series 2004B to be sold pursuant to such Bid or Sell Order against payment therefor;

(iv) advise each Existing Owner on whose behalf such Broker-Dealer submitted an Order and each Potential Owner on whose behalf such Broker-Dealer submitted a Bid of the Auction Rate for the next Interest Accrual Period;

(v) advise each Existing Owner on whose behalf such Broker-Dealer submitted an Order of the next Auction Date, including, without limitation, Existing Owners deemed to have submitted Hold Orders pursuant to the Indenture; and

(vi) advise each Potential Owner on whose behalf such Broker-Dealer submitted a Bid that was accepted, in whole or in part, of the next Auction Date.

(c) On the basis of the information provided to it pursuant to paragraph (a) above, each Broker-Dealer that submitted a Bid or Sell Order in an Auction is required to allocate any funds received by it pursuant to paragraph (b)(ii) above, and any Series 2004B received by it pursuant to paragraph (b)(iii) above, among the Potential Owners, if any, on whose behalf such Broker-Dealer submitted Bids, the Existing Owners, if any, on whose behalf such Broker-Dealer submitted Bids or Sell Orders in such Auction, and any Broker-Dealers identified to it by the Auction Agent following such Auction pursuant to paragraph (a)(v) or (a)(vi) above.

(d) On each Auction Date:

(i) each Potential Owner and Existing Owner with an Order in the Auction on such Auction Date shall instruct its Participant as provided in (b)(ii) or (b)(iii) above, as the case may be;

(ii) each Seller's Broker-Dealer that is not a Participant in the Securities Depository shall instruct its Participant to deliver such Series 2004B through the Securities Depository to a Buyer's Broker-Dealer (or its Participant) identified to such Seller's Broker-Dealer pursuant to (a)(v) above against payment therefor; and

(iii) each Buyer's Broker-Dealer that is not a Participant in the Securities Depository shall instruct its Participant to pay through the Securities Depository to a Seller's Broker-Dealer (or its Participant) identified following such Auction pursuant to (a)(vi) above the amount necessary to purchase the Series 2004B to be purchased pursuant to (b)(ii) above against receipt of such Series 2004B.

(e) On the Business Day following each Auction Date:

(i) each Participant for a Bidder in the Auction on such Auction Date referred to in (d)(i) above shall instruct the Securities Depository to execute the transactions described under (b)(ii) or (b)(iii) above for such Auction, and the Securities Depository shall execute such transactions;

(ii) each Seller's Broker-Dealer or its Participant shall instruct the Securities Depository to execute the transactions described in (d)(ii) above for such Auction, and DTC shall execute such transactions; and

(iii) each Buyer's Broker-Dealer or its Participant shall instruct DTC to execute the transactions described in (d)(iii) above for such auction, and DTC shall execute such transactions.

(f) If an Existing Owner selling Series 2004B in an Auction fails to deliver such Series 2004B (by authorized book-entry), a Broker-Dealer may deliver to the Potential Owner on behalf of which it submitted a Bid that was accepted a principal amount of Series 2004B that is less than the principal amount of Series 2004B that otherwise was to be purchased by such Potential Owner. In such event, the principal amount of Series 2004B to be so delivered shall be determined solely by such Broker-Dealer (but only in Authorized Denominations). Delivery of such lesser principal amount of Series 2004B shall constitute good delivery. Notwithstanding the foregoing terms of this paragraph (f), any delivery or nondelivery of Series 2004B which shall represent any departure from the results of an Auction, as determined by the Auction Agent, shall be of no effect unless and until the Auction Agent shall have been notified of such delivery or nondelivery in accordance with the provisions of the Auction Agent and the Broker-Dealer Agreements. Neither the Trustee nor the Auction Agent will have any responsibility or liability with respect to the failure of a Potential Owner, Existing Owner or their respective Broker-Dealer or Participant to take delivery of or deliver, as the case may be, the principal amount of the Series 2004B purchased or sold pursuant to an Auction or otherwise.

AUCTION AGENCY AGREEMENT

by and among

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY,**
as Issuer

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

and

THE BANK OF NEW YORK,
as Auction Agent

Dated as of August 1, 2004

Relating to

\$ _____
**Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B**

AUCTION AGENCY AGREEMENT

THIS AUCTION AGENCY AGREEMENT (the "Agreement"), dated as of August 1, 2004, by and among LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (together with any successors and assigns, the "Issuer"), THE BANK OF NEW YORK TRUST COMPANY, N.A., a national banking association, as Trustee under the Indenture described below (together with any successors and assigns, the "Trustee"), and THE BANK OF NEW YORK, a _____ (together with any successors and assigns, the "Auction Agent"), acting not in its individual capacity but solely as agent for the Issuer.

WHEREAS, the Issuer proposes to issue its \$[Amount of A Bonds]* in aggregate principal amount of its Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B");

WHEREAS, the Series 2004B will be issued pursuant to a Trust Indenture (the "Indenture") of even date herewith between the Issuer and the Trustee; and

WHEREAS, the Trustee is entering into this Agreement at the direction of the Issuer pursuant to the Indenture.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Issuer, the Trustee, and the Auction Agent hereby agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Terms Defined by Reference to Indenture.

Capitalized terms not defined herein shall have the respective meanings specified in the Indenture.

Section 1.2 Terms Defined Herein.

As used herein, in the exhibits hereto and in the Settlement Procedures (as defined below), the following terms shall have the following meanings, unless the context otherwise requires:

- (a) "Auction" shall have the meaning specified in Section 2.1 hereof.
- (b) "Auction Procedures" shall mean the Auction Procedures set forth in Section 3.15 of the Indenture.
- (c) "Authorized Auction Agent Officer" shall mean each Senior Vice President, Vice President, Assistant Vice President, Assistant Secretary, Assistant Treasurer, and Corporate

Financial Services Officer of the Auction Agent assigned to its Corporate Capital Markets Services Division and every other officer or employee of the Auction Agent designated as an "Authorized Auction Agent Officer" for purposes of this Agreement, by this Agreement or in a communication to the Trustee and the Issuer.

(d) "Authorized Issuer Officer" shall mean the person(s) at the time designated to act under this Agreement and the Loan Agreement and Trust Indenture on behalf of the Issuer by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Issuer by the Chairman, Vice Chairman or Executive Director of the Issuer. Such certificate may designate an alternate or alternates.

(e) "Authorized Trustee Representative" shall mean each Vice President (whether or not designated by a number or word or words added before or after the title "Vice President"), each Trust Officer, the Secretary, the Treasurer, each Assistant Secretary and each Assistant Treasurer of the Trustee and every other officer, employee or agent of the Trustee designated as an "Authorized Trustee Representative" for purposes of this Agreement in a communication to the Auction Agent and the Issuer.

(f) "Bond Insurer" shall mean MBIA Insurance Corporation, or any successor thereto.

(g) "Broker-Dealer" shall mean a Person listed on Exhibit A hereto as such may be amended from time to time.

(h) "Broker-Dealer Agreement" shall mean each agreement between the Auction Agent and a Broker-Dealer relating to the Series 2004B, substantially in the form attached hereto as Exhibit B.

(i) "Broker-Dealer Fee" shall have the meaning specified in Section 4.5(a) hereof.

(j) "Broker-Dealer Fee Rate" shall mean the rate per annum at which the service charges to be paid to the Broker-Dealers in connection with the Auctions accrue pursuant to Section 4.5(b) hereof.

(k) "Existing Owner Registry" shall mean the register maintained by the Auction Agent pursuant to Section 2.2 hereof.

(l) "Notice of Bonds Outstanding" shall mean a notice substantially in the form of Exhibit C hereto.

(m) "Notice of Continuation of Auction Period" shall mean a notice substantially in the form of Exhibit D hereto.

(n) "Notice of Failure to Deliver or Make Payment" shall mean a notice substantially in the form of Exhibit A to the Broker-Dealer Agreement.

(o) "Notice of Fee Rate Change" shall mean a notice substantially in the form of Exhibit E hereto.

(p) "Notice of Interest Rate" shall mean a notice substantially in the form of Exhibit F hereto.

(q) "Notice of Payment Default" shall mean a notice substantially in the form of Exhibit G hereto.

(r) "Notice of Transfer" shall mean a notice substantially in the form of Exhibit B to the Broker-Dealer Agreement.

(s) "Participant" shall mean a member, or participant in, the Securities Depository.

(t) "Person" shall mean any individual, corporation, partnership, joint venture, association, joint stock company, incorporated organization or government or any agency or political subdivision thereof.

(u) "Settlement Procedures" shall mean the settlement procedures attached as Exhibit D to the Broker-Dealer Agreement.

Section 1.3 Rules of Construction.

Unless the context or use indicates another or different meaning or intent, the following rules shall apply to the construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect the meaning, construction or effect of any provision of this Agreement.

(c) The words "hereof", "herein", "hereto" and other words of similar import refer to this Agreement as a whole.

(d) All references herein to a particular time of day shall be to New York City time.

ARTICLE II

THE AUCTION

Section 2.1 Purpose; Incorporation by Reference of Auction Procedures and Settlement Procedures.

(a) The Indenture provides that the interest rate on the Series 2004B for each Interest Accrual Period after the Initial Period shall, except under certain conditions, be the rate per annum

that results from implementation of the Auction Procedures. The Auction Agent has been duly appointed as auction agent for purposes of implementing the Auction Procedures for the Series 2004B. The Auction Agent accepts such appointment as auction agent and agrees to follow the Auction Procedures and the procedures set forth in this Article II for the purpose of determining the Auction Rate for the Series 2004B. Each periodic operation of the Auction Procedures is hereinafter referred to as an "Auction".

(b) All of the provisions contained in the Auction Procedures and the Settlement Procedures are incorporated herein by reference in their entirety and shall be deemed to be a part of this Agreement to the same extent as if such provisions were fully set forth herein.

Section 2.2 Preparation for Each Auction; Maintenance of Existing Owner Registry.

(a) A list of Broker-Dealers is attached as Exhibit A hereto. Not later than seven days prior to any Auction Date for which any change in such list of Broker-Dealers is to be effective, the Trustee, at the direction of an Authorized Issuer Officer, will notify the Auction Agent in writing of such change and, if any such change is the addition of a Broker-Dealer to such list, shall cause to be delivered to the Auction Agent, for execution by the Auction Agent, a Broker-Dealer Agreement signed by such Broker-Dealer. The Auction Agent shall have entered into a Broker-Dealer Agreement with each Broker-Dealer prior to the participation of any such Broker-Dealer in any Auction.

(b) In the event that the Auction Date for an Auction shall be changed after the Auction Agent has given the notice of such Auction Date pursuant to the Settlement Procedures, the Auction Agent, by such means as the Auction Agent deems practicable, shall give notice of such change to the Broker-Dealers not later than 9:15 a.m. on the earlier of the new Auction Date or the old Auction Date.

(c) (i) The Auction Agent shall maintain a current registry of Persons that are Broker-Dealers, compiled initially on the date of delivery of the Series 2004B, and that hold Series 2004B for purposes of dealing with the Auction Agent in connection with an Auction (such registry being herein referred to as the "Existing Owner Registry"). Such Persons shall constitute the "Existing Owners" for purposes of dealing with the Auction Agent in connection with an Auction. The Auction Agent shall indicate in the Existing Owner Registry for each Existing Owner the identity of the Broker-Dealer which submitted the most recent Order in any Auction which resulted in such Existing Owner continuing to hold or purchasing Series 2004B. Pursuant to the Broker-Dealer Agreements, the Broker-Dealers have agreed to provide to the Auction Agent prior to the execution of this Agreement the names and addresses of the Persons who are to be initially listed on the Existing Owner Registry as constituting the initial Existing Owners of the Series 2004B for purposes of dealing with the Auction Agent in connection with an Auction. The Auction Agent may rely conclusively upon, as evidence of the identities of the Existing Owners, such list, the results of each Auction and notices from any Existing Owner, Participant of any Existing Owner or Broker-Dealer of any Existing Owner as described in Section 2.2(c)(iii) hereof.

(ii) The Trustee shall notify the Auction Agent in writing when any notice of redemption or Conversion of the Series 2004B is sent to the Securities Depository as the owner of

the Series 2004B not later than 11:00 a.m. on the date such notice is sent. Such notice with respect to a redemption shall be substantially in the form of Notice of Bonds Outstanding. In the event the Auction Agent receives from the Trustee written notice of any partial redemption of Series 2004B, the Auction Agent shall, at least two Business Days prior to the next Auction, request each Participant to disclose to the Auction Agent (upon selection by such Participant of the Existing Owners whose Series 2004B are to be redeemed) the aggregate principal amount of such Series 2004B of each such Existing Owner, if any, which are to be redeemed; provided the Auction Agent has been furnished with the name and telephone number of a person or department at such Participant from which it is to request such information. Upon any refusal of an agent member of a Participant to release such information, the Auction Agent may continue to treat such Existing Owner as the beneficial owner of the principal amount of Series 2004B shown on the Existing Owner Registry.

(iii) The Auction Agent shall be required to register in the Existing Owner Registry a transfer of Series 2004B from an Existing Owner to another Person only if (A) such transfer is made to a Person through a Broker-Dealer and if (B)(i) such transfer is pursuant to an Auction or (ii) the Auction Agent has been notified in writing (1) in a notice substantially in the form of a Notice of Transfer by such Existing Owner, the Participant of such Existing Owner or the Broker-Dealer of such Existing Owner of such transfer or (2) in a notice substantially in the form of a Notice of Failure to Deliver or Make Payment by the Broker-Dealer of any Person that purchased or sold Series 2004B in an Auction of the failure of such Series 2004B to be transferred as a result of the Auction. The Auction Agent is not required to accept any Notice of Transfer or Notice of Failure to Deliver or Make Payment delivered prior to an Auction unless it is received by the Auction Agent by 3:00 p.m. on the Business Day next preceding the applicable Auction Date.

(d) The Auction Agent may request that the Broker-Dealers, as set forth in the Broker-Dealer Agreements, provide the Auction Agent the aggregate principal amount of Series 2004B held by such Broker-Dealers for purposes of the Existing Owner Registry. Except as permitted by Section 2.10 hereof, the Auction Agent shall keep confidential any such information and shall not disclose any such information so provided to any Person other than the relevant Broker-Dealer, the Issuer and the Trustee, provided that the Auction Agent reserves the right to disclose any such information if (i) it is ordered to do so by a court of competent jurisdiction or a regulatory body, judicial or quasi judicial agency or authority having the authority to compel such disclosure, (ii) it is advised by counsel that its failure to do so would be unlawful or (iii) failure to do so would expose the Auction Agent to liability, loss, claim or damage for which the Auction Agent has not received indemnity satisfactory to it.

(e) The Auction Agent shall send by telecopy or other means a copy of any Notice of Bonds Outstanding received from the Trustee to each Broker-Dealer in accordance with Section 4.3 of the applicable Broker-Dealer Agreement.

Section 2.3 All-Hold Rate and Maximum Auction Rate.

(a) Not later than 9:30 a.m. on each Auction Date, the Auction Agent shall calculate the All Hold Rate and the Maximum Auction Rate and provide notice thereof to the Issuer, the Trustee and the Broker-Dealers by telephone or other electronic communication acceptable to the parties.

(b) (i) If, on any Auction Date for an Auction Period, an Auction is not held for any reason:

- (A) if the Series 2004B have an Auction Period of greater than 180 days, the Standard Auction Period shall automatically convert to an Auction Period of seven (7) days;
- (B) an Auction shall be deemed to have occurred on the scheduled Auction Date;
- (C) the Auction Rate for the deemed Auction to be in effect for the next succeeding Auction Period shall be equal to the Auction Rate for the preceding Auction Period; and
- (D) the succeeding Auction Period shall begin on the calendar day following the scheduled Auction Date; provided, however, in the event that any succeeding Auction is not held for any reason, then the rate of interest on the Series 2004B for the succeeding Auction Periods shall be the Maximum Auction Rate until an Auction can be held.

(ii) If the ownership of the Series 2004B is no longer maintained in book-entry form by the Securities Depository, the Auction Rate on the Series 2004B shall be the Maximum Auction Rate commencing on the date that the book entry-only system for the Series 2004B is discontinued.

(iii) If a Payment Default shall have occurred, the Trustee shall forthwith notify the Auction Agent in writing and upon receipt of such notice by the Auction Agent, the Auction Procedures shall be suspended. The rate of interest on the Series 2004B shall be the Non-Payment Rate on the Auction Date for (A) each subsequent Auction Period commencing after such occurrence and during the continuance of such a Payment Default, and (B) any subsequent Auction Period commencing less than two Business Days after the cure or waiver of any Payment Default in accordance with the Indenture. The Auction Rate on the Series 2004B for each Interest Accrual Period commencing at least two Business Days after any waiver or cure of a Payment Default shall be determined through implementation of the Auction Procedures.

(iv) If a proposed Fixed Rate Conversion under Section 3.21 of the Indenture or a proposed Variable Rate Conversion under Section 3.22 of the Indenture under the circumstances described in Section 4(A) (iii) – (v) of the Notice of Variable Rate Conversion attached as Exhibit L to the Indenture shall have failed, then the rate of interest for the Series 2004B shall be the Maximum Auction Rate as of the failed Conversion Date for the Interest Accrual Period commencing on such date, and the Auction Agent shall provide written notice thereof, by delivery or telecopy or similar means, to the Trustee no later than 12:00 noon on the Business Day immediately following such failed Fixed Rate Conversion Date or Variable Rate Conversion Date.

(v) If a Conversion of the Series 2004B has been effected, as provided in the Indenture, no further Auctions for such Series 2004B shall be held.

Section 2.4 Auction Schedule.

The Auction Agent shall conduct Auctions in accordance with the schedule set forth below. Such schedule may be changed by the Auction Agent at the written direction of the Trustee and the Market Agent to reflect then currently accepted market practices for similar auctions. The Auction Agent shall give written notice of any such change to each Broker-Dealer. Such notice shall be given prior to the close of business on the Business Day next preceding the first Auction Date on which any such change shall be effective.

| <u>Time</u> | <u>Event</u> |
|---|--|
| By 9:30 A.M. | Auction Agent advises the Trustee and the Broker-Dealers of the All-Hold Rate and the Maximum Auction Rate to be used in determining the Auction Rate under the Auction Procedures, the Indenture and this Agreement. |
| 9:30 A.M. - 1:00 P.M. | Auction Agent assembles information communicated to it by Broker-Dealers as provided in Section 3.15(c)(i) of the Indenture. Submission Deadline is 1:00 P.M. |
| As soon as practical after 1:00 P.M. | Auction Agent makes determinations pursuant to Section 3.15(c)(i) of the Indenture. Auction Agent then advises the Issuer and the Broker-Dealers of the Auction Rate as provided in Section 3.15(c)(ii). |
| By approximately 3:00 P.M. but not later than the close of business | Auction Agent advises the Trustee of results of the Auction as provided in Section 3.15(c)(ii) of the Indenture. Submitted Bids and Submitted Sell Orders are accepted and rejected as provided in Section 3.15(d) of the Indenture. |

The Auction Agent shall follow the notification procedures set forth in paragraph (a) of the Settlement Procedures.

Section 2.5 Changes in Auction Period or Auction Date.

(a) *Changes in Auction Period.*

(i) The Auction Agent shall mail any notice delivered to it pursuant to Section 3.18(a) of the Indenture to the Existing Owners within two Business Days of receipt thereof.

(ii) The Auction Agent shall deliver any certificate delivered to it pursuant to Section 3.18(b) of the Indenture to the Broker-Dealers not later than 3:00 p.m. on the Business Day immediately preceding the next Auction Date by telecopy or similar means.

(iii) If, after delivery to the Auction Agent of the notice referred to in Section 3.18(a) of the Indenture, the Auction Agent fails to receive the certificate referred to in Section 3.18(b) of the Indenture by 11:00 a.m. on the Business Day immediately preceding the next Auction Date, the Auction Agent shall deliver a Notice of Continuation of Auction Period to the Broker-Dealers not later than 3:00 p.m. on such Business Day by telecopy or similar means.

(iv) If, after delivery to the Auction Agent of the notice referred to in Section 3.18(a) and the certificate referred to in Section 3.18(b) of the Indenture, one of the conditions described in Section 3.18(b) of the Indenture is not met, the Auction Agent shall deliver a Notice of Interest Rate to the Broker-Dealers not later than 3:00 p.m. on such Auction Date by telephone confirmed in writing the next Business Day.

(b) *Changes in Auction Date.* The Auction Agent shall mail any notice delivered to it pursuant to Section 3.19 of the Indenture to the Broker-Dealers within three Business Days of its receipt thereof.

Section 2.6 Notice of Fee Rate Change.

If the Broker-Dealer Fee Rate is changed pursuant to the terms of Section 4.5(b) hereof, the Auction Agent shall mail a Notice of Fee Rate Change to the Broker-Dealers and the Trustee within two Business Days of such change.

Section 2.7 Notice to Existing Owners.

The Auction Agent shall be entitled to rely conclusively, and shall be fully protected in so relying, upon the address of each Broker-Dealer as provided in Section 4.3 of the applicable Broker-Dealer Agreement in connection with any notice to each Broker-Dealer, as an Existing Owner, required to be given by the Auction Agent.

Section 2.8 Payment Defaults.

(a) The Auction Agent shall deliver a copy of any notice received by it from the Trustee to the effect that a Payment Default has occurred to the Broker-Dealers on the Business Day of the receipt thereof or as soon practicable thereafter by telecopy or other similar means.

(b) The Auction Agent shall deliver a copy of any notice received by it from the Trustee to the effect that a Payment Default has been cured to the Broker-Dealers on the Business Day of the receipt thereof or as soon as practicable thereafter by telecopy or other similar means.

Section 2.9 Broker-Dealers.

(a) If the Auction Agent is provided with a copy of a Broker-Dealer Agreement which has been manually signed, with any person listed on Exhibit A hereto, it shall enter into such Broker-Dealer Agreement with such person.

(b) The Auction Agent may, at the written direction of an Authorized Trustee Representative, which shall have the written approval of an Authorized Issuer Officer, enter into a Broker-Dealer Agreement with any other person who requests to be selected to act as a Broker-Dealer. The Auction Agent shall have entered into a Broker-Dealer Agreement with each Broker-Dealer prior to the participation of any such Broker-Dealer in any Auction. The Auction Agent shall only be required to enter into a Broker-Dealer Agreement if such Broker-Dealer Agreement is in substantially the form attached hereto as Exhibit B and has been duly executed and delivered by the proposed Broker-Dealer.

(c) The Auction Agent shall terminate any Broker-Dealer Agreement as set forth therein if so directed in writing by an Authorized Issuer Officer.

Section 2.10 Access to and Maintenance of Auction Records.

The Auction Agent shall afford to the Trustee, the Issuer, the Bond Insurer and their respective agents, accountants and counsel, access at reasonable times and at the sole expense of the Trustee, the Bond Insurer or Issuer, as applicable, during normal business hours to all books, records, documents and other information concerning the conduct and results of Auctions; provided that any such agent, accountant or counsel shall furnish the Auction Agent with a letter from an Authorized Trustee Representative, an Authorized Issuer Officer or a Bond Insurer representative requesting that the Auction Agent afford such access. The Auction Agent shall not be responsible or liable for any actions of the Trustee, the Issuer, the Bond Insurer or their respective agents, accountants, and counsel for passing on confidential information as a result of access to such records and information. The Auction Agent shall maintain records relating to any Auction for a period of two years after such Auction (unless requested by the Trustee or the Issuer to maintain such records for a longer period not in excess of a total of four years), and such records shall, in reasonable detail, accurately and fairly reflect the actions taken by the Auction Agent hereunder. At the end of such period, the Auction Agent shall deliver such records to the Trustee if so requested in writing.

Section 2.11 Conversion of the Series 2004B.

Pursuant to the Indenture, the Issuer may cause the method of determining the interest rate on the Series 2004B to be changed pursuant to a Fixed Rate Conversion or a Variable Rate Conversion. Assuming a successful conversion on a Fixed Rate Conversion Date or a Variable Rate Conversion Date, upon written notice thereof delivered to the Auction Agent, the Auction Agent shall no longer conduct Auctions with respect to the Series 2004B. If, however, the Auction Agent receives a notice of failed Fixed Rate Conversion or a Variable Rate Conversion, the Auction Agent shall conduct the Auction on the Auction Date next succeeding the Fixed Rate Conversion

Date or Variable Rate Conversion Date applicable to the failed conversion and continue to conduct Auctions thereafter as provided in the Indenture and this Agreement.

Section 2.12 Notice of Conversion.

Pursuant to Section 2.____ of the Indenture, the Trustee shall send a Notice of Conversion to the Auction Agent. The Trustee shall also make available to the Securities Depository such other information as the Securities Depository may reasonably require in order to effect the conversion.

ARTICLE III

**REPRESENTATIONS AND WARRANTIES OF THE TRUSTEE
AND THE ISSUER**

Section 3.1 Representations and Warranties of the Trustee.

The Trustee represents and warrants to the Auction Agent and the Issuer that:

(a) The Trustee has been duly incorporated and is validly existing and in good standing as a banking corporation under the laws of the state of New York.

(b) This Agreement has been duly and validly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery by the Auction Agent and the Issuer, constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general equity principles;

(c) The execution, delivery and performance of this Agreement by the Trustee do not and will not conflict with, or result in a violation of, the terms, conditions or provisions of, or constitute a default under any law, decree, order, rule or regulation of any court or governmental agency having jurisdiction over the Trustee, or any agreement, indenture, instrument, mortgage or undertaking to which the Trustee is a party or by which it is bound; and

(d) All approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction over the Trustee which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Trustee of its obligations under this Agreement have been obtained.

Section 3.2 Representations and Warranties of the Issuer.

The Issuer represents and warrants to the Auction Agent and the Trustee that:

(a) This Agreement has been duly and validly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Auction Agent and the Trustee, constitutes the legal, valid and binding obligation of the Issuer, enforceable in accordance

with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general equity principles;

(b) The execution, delivery and performance of this Agreement by the Issuer do not and will not conflict with, or result in a violation of, the terms, conditions or provisions of, or constitute a default under any law, decree, order, rule or regulation of any court or governmental agency having jurisdiction over the Issuer, or any agreement, indenture, instrument, mortgage or undertaking to which the Issuer is a party or by which it is bound; and

(c) All approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction over the Issuer which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Issuer of its obligations under this Agreement have been obtained.

ARTICLE IV

THE AUCTION AGENT

Section 4.1 Duties and Responsibilities.

(a) The Auction Agent is acting solely as agent of the Issuer hereunder and owes no duties, fiduciary or otherwise, to any other Person by reason of this Agreement and no implied duties, fiduciary or otherwise, shall be read into this Agreement.

(b) The Auction Agent undertakes to perform such duties and only such duties as are expressly set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Auction Agent.

(c) In the absence of bad faith or negligence on its part, the Auction Agent whether acting directly or through agents, attorneys, nominees or custodians as provided in Section 4.2(d) hereof shall not be liable for any action taken, suffered or omitted or for any error of judgment made by it in the performance of its duties under this Agreement. The Auction Agent shall not be liable for any error of judgment made in good faith unless the Auction Agent shall have been negligent in ascertaining (or failing to ascertain) the pertinent facts necessary to make such judgment. In no event shall the Auction Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever.

(d) The Auction Agent shall not agree to any amendment to a Broker-Dealer Agreement without the prior written consent of the Issuer, which consent shall not be unreasonably withheld.

(e) The Auction shall not be: (i) required to, and does not, make any representations or have any responsibilities as to the validity, accuracy, value or genuineness of any signatures, endorsements, other than its own, on any document delivered pursuant to or as contemplated by this Agreement; (ii) obligated to take any legal action hereunder that might, in its judgment,

involve any expense or liability, unless it has been furnished with indemnity satisfactory to the Auction Agent; and (iii) responsible for or liable in any respect on account of the identity, authority or rights of any Person executing or delivering or purporting to deliver any document under this Agreement, any Broker-Dealer Agreement, or any other instrument executed in connection with the transactions contemplated herein.

(f) This Auction Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fires; floods; wars; civil or military disturbances; acts of terrorism; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities computer (hardware or software) or communications service; accidents; labor disputes; and acts of civil or military authority or governmental actions; it being understood that the Auction Agent shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 4.2 Rights of the Auction Agent.

(a) The Auction Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any communication authorized hereby and upon any written instruction, notice, request, direction, consent, report, certificate, or other instrument, paper or document believed by it to be genuine. The Auction Agent shall not be liable for acting upon any such communication authorized hereby (including but not limited to, any telephone communication or other electronic communication acceptable to the parties) authorized by this Agreement which the Auction Agent believes in good faith to have been given by the Trustee, the Issuer or by a Broker-Dealer or any agent thereof. The Auction Agent may record telephone communications with the Trustee, the Issuer or with any of the Broker-Dealers.

(b) The Auction Agent may consult with counsel of its choice, and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Auction Agent shall not be required to advance, expend or risk its own funds or otherwise incur or become exposed to financial liability in the performance of its duties hereunder.

(d) The Auction Agent may perform its duties and exercise its rights hereunder either directly or by or through agents, attorneys, nominees or custodians and shall not be responsible for any misconduct or negligence on the part of, or for the supervision of, any agent, attorney, nominee or custodian appointed by it with due care hereunder.

(e) The Auction Agent shall have no obligation to monitor or liability in respect of the registration or exemption therefrom of the Series 2004B (or any beneficial ownership interest therein) under any federal or state securities laws or in respect of any transfer of the Series 2004B (or any beneficial ownership interest therein) pursuant to the terms of this Agreement, any Broker-Dealer Agreement or any other document contemplated by any thereof, including, but not limited to, compliance with any such laws in regards to any such registration, exemption or transfer or in

respect of any of the DTC's procedures applicable to transactions between itself and its agent members or others.

Section 4.3 Auction Agent's Disclaimer.

The Auction Agent makes no representation as to the correctness of the recitals in, and assumes no responsibility for, the validity, accuracy or adequacy of, this Agreement (other than its enforceability against the Auction Agent), the Broker-Dealer Agreements, the Series 2004B, any offering document used to make offers or sales thereof or any other agreement or instrument executed in connection with the transactions contemplated herein.

Section 4.4 Compensation.

(a) The Auction Agent shall be entitled to receive an annual fee for all services rendered by it under this Agreement and the Broker-Dealer Agreements. The Initial Auction Agent Fee Rate shall be \$3,500.00 per annum.

(b) To the extent permitted by applicable State law, and only in the manner provided by such law, the Issuer shall indemnify and hold harmless the Auction Agent and its directors, officers, employees and agents against any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of its agency hereunder or under the Broker-Dealer Agreements, including the reasonable costs and expenses of defending itself, and its directors, officers, employees and agents, against any claim or liability in connection with the exercise or performance of any of its duties hereunder or thereunder and of enforcing this indemnification provision; provided that the Issuer shall not indemnify the Auction Agent pursuant to this Section 4.4(b) for any fees and expenses incurred by the Auction Agent in the normal course of performing its duties hereunder and under the Broker-Dealer Agreements.

Section 4.5 Compensation of Broker-Dealers.

(a) Unless the Series 2004B are no longer maintained in the Book-Entry System, not later than 2:00 p.m. on each Business Day following each (i) Auction Rate Adjustment Date with respect to each Auction Period of not greater than 180 days, or (ii) calendar quarter when the Auction Period is greater than 180 days, the Trustee shall pay to the Auction Agent solely from moneys available in the Operating Fund an amount (the "Broker-Dealer Fee") equal to the product of (A) a fraction, the numerator of which is the number of days since the latter of the closing date or the date the fee was last paid and the denominator of which is 360 times (B) the Broker-Dealer Fee Rate times (C) the aggregate principal amount of Outstanding Series 2004B at the close of business on the first Business Day of such period. The Auction Agent shall advise the Trustee of the Broker-Dealer Fee not later than 4:00 p.m. on the Business Day prior. The Auction Agent shall apply such monies as set forth in the Broker-Dealer Agreements.

(b) The Auction Agent shall pay the Broker-Dealer Fee as provided in Section 4.5(a) above solely out of amounts received by the Auction Agent pursuant to the Indenture. The "Broker-Dealer Fee Rate" shall be the prevailing rate received by Broker-Dealers for rendering comparable

services to others. If so requested, the Auction Agent shall advise the Issuer and the Trustee at least annually of the prevailing rate. The Broker-Dealer Fee Rate may be adjusted from time to time with the approval of an Authorized Issuer Officer upon a written request of the Broker-Dealer delivered to the Trustee and the Issuer. The initial Broker-Dealer Fee Rate shall be 0.25 of 1% per annum. If the Broker-Dealer Fee Rate is changed pursuant to the terms hereof, the Trustee shall notify the Auction Agent thereof in writing. Any changes in the Broker-Dealer Fee Rate shall be effective on the Auction Date next succeeding such change.

Section 4.6 Representations and Warranties of the Auction Agent. The Auction Agent hereby represents and warrants that:

(a) this Agreement has been duly and validly authorized, executed and delivered by the Auction Agent and constitutes the legal, valid and binding limited obligation of the Auction Agent;

(b) neither the execution and delivery of this Auction Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the terms and conditions of this Auction Agreement will conflict with, or violate or result in a breach of the terms, conditions or provisions of, or constitute a default under the organizational documents of the Auction Agent, any law or regulation, or any order or decree of any court or public Issuer having jurisdiction over the Auction Agent, or any mortgage, resolution, contract, agreement or undertaking to which the Auction Agent is a party or by which it is bound; and

(c) any approvals, consents and orders of any governmental issuer, legislative body, board, agency or commission having jurisdiction over the Auction Agent which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Auction Agent of its obligations under this Agreement have been obtained.

ARTICLE V

MISCELLANEOUS

Section 5.1 Term of Agreement.

(a) This Agreement shall terminate on the earlier to occur of (i) the satisfaction and discharge of the Indenture, (ii) the resignation or removal of the Auction Agent pursuant to the provisions of Section 3.20 of the Indenture and (iii) Conversion of the Series 2004B as provided in the Indenture. Notwithstanding the foregoing, the provisions of Article II shall terminate upon the delivery of certificates representing the Series 2004B pursuant to the Indenture.

(b) Except as otherwise provided in this Section 5.1(b), the respective rights and duties of the Trustee, the Issuer and the Auction Agent under this Agreement shall cease upon termination of this Agreement. The representations and warranties of the Trustee and the Issuer under Article III, the rights of the Auction Agent and the Broker-Dealers to receive payment pursuant to Sections 4.4 and 4.5, respectively, hereof and the Issuer's obligations to the Auction Agent under Section

4.4(b) hereof shall survive the termination of this Agreement. Upon termination of this Agreement, the Auction Agent shall promptly deliver to the Trustee copies of all books and records maintained by it with respect to the Series 2004B in connection with its duties hereunder upon written request of the Trustee.

Section 5.2 Communications.

Except for (i) communications authorized to be made by telephone pursuant to this Agreement or the Auction Procedures and (ii) communications in connection with Auctions (other than those expressly required to be in writing), all notices, requests and other communications to either party hereunder shall be in writing (including telecopy or other electronic communication acceptable to the parties) and shall be given to such party, addressed to it, at its address, email address or telecopier number set forth below:

If to the Trustee:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, FL 32256
Attention: Corporate Trust Division

Telephone No.: (904) 645-1943
Facsimile No.: (904) 645-1930

If to the Issuer:

Louisiana Local Government Environmental Facilities and Community
Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809-2233
Attention: Executive Director

Telephone No.: (225) 924-6150
Facsimile No.: (225) 924-6171

If to the Auction Agent:

[Name of Auction Agent]

Attention: _____

Telephone No.: (____) _____ - _____
Facsimile No.: (____) _____ - _____

If to the Bond Insurer:

MBIA Insurance Corporation

Attention: _____

Telephone No.: (____) _____ - _____

Facsimile No.: (____) _____ - _____

or such other address, email address or telecopier number as such party may hereafter specify for such purpose by notice to the other party. Each such notice, request or communication shall be effective (i) if given by telecopy when such telecopy is transmitted to the telecopies specified herein, or (ii) if given by another means when delivered at the address specified herein. Communications shall be given on behalf of the Trustee by an Authorized Trustee Representative, on behalf of the Issuer by an Authorized Issuer Officer and on behalf of the Auction Agent by an Authorized Auction Agent Officer.

Section 5.3 Entire Agreement.

This Agreement contains the entire agreement between the parties relating to the subject matter hereof, and there are no other representations, endorsements, promises, agreements or understandings, oral, written, or inferred, between the parties relating to the subject matter hereof except for agreements relating to the compensation of the Auction Agent.

Section 5.4 Benefits.

Nothing in this Agreement, express or implied, shall give to any Person, other than the Trustee, acting on behalf of the Bondholders, the Issuer and the Auction Agent and their respective successors and assigns, any benefit of any legal or equitable right, remedy or claim under this Agreement, provided however the Bond Insurer shall be a third party beneficiary hereunder.

The rights, privileges, immunities and protections granted to the Trustee in the Indenture and the standard of care imposed upon the Trustee in the Indenture shall apply with equal force and effect to the duties and obligations of the Trustee under this Agreement.

Section 5.5 Amendment; Waiver.

This Agreement shall not be deemed or construed to be modified, amended, rescinded, canceled or waived, in whole or in part, except by a written instrument signed by duly authorized representatives of the parties hereto and consented to by the Bond Insurer. Failure of any party to this Agreement to exercise any right or remedy hereunder in the event of a breach of this Agreement by any other party shall not constitute a waiver of any such right or remedy with respect to any subsequent breach. The Auction Agent may, but shall have no obligation to, execute any amendment or waiver which effects its rights, powers, immunities or indemnities hereunder.

Section 5.6 Successors and Assigns.

This Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the respective successors and assigns of the Trustee, the Issuer and the Auction Agent. This Agreement may not be assigned by any party hereto absent the prior written consent of the other parties hereto and the Bond Insurer, which consents shall not be unreasonably withheld or delayed.

Section 5.7 Severability.

If any clause, provision or section of this Agreement shall be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof.

Section 5.8 Execution in Counterparts.

This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.9 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana; provided, however, that the rights, powers and duties of the Auction Agent shall be construed in accordance with the laws of the State of New York.

[Execution follows on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Auction Agency Agreement to be duly executed and delivered by their proper and duly authorized officers as of the date first above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY,
as Issuer

By _____
Executive Director

THE BANK OF NEW YORK TRUST COMPANY,
N.A., as Trustee

By _____
Vice President

[NAME OF AUCTION AGENT], as Auction Agent

By: _____
Title: _____

EXHIBIT A

LIST OF BROKER-DEALERS

Morgan Keegan & Company, Inc.

EXHIBIT B

FORM OF BROKER-DEALER AGREEMENT

[ATTACHED]

EXHIBIT C

NOTICE OF SERIES 2004B OUTSTANDING

\$ _____
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

NOTICE IS HEREBY GIVEN that \$ _____ aggregate principal amount of Series 2004B were Outstanding at the close of business on the immediately preceding Record Date. Such aggregate principal amount of Series 2004B, less \$ _____ aggregate principal amount of Series 2004B to be redeemed by the Issuer pursuant to the Indenture, for a net aggregate principal amount of Series 2004B of \$ _____, will be available on the next Auction scheduled to be held on _____.

Terms used herein have the meanings set forth in the Indenture relating to the above-referenced issue.

THE BANK OF NEW YORK TRUST COMPANY,
N.A., as Trustee

By _____
Title: _____
Date: _____

EXHIBIT D

NOTICE OF CONTINUATION OF AUCTION PERIOD

\$ _____
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

NOTICE IS HEREBY GIVEN that a condition for the establishment of a change in the length of one or more Auction Periods for the captioned Series 2004B has not been met. An Auction will therefore be held on the next Auction Date (_____) and the length of the next succeeding Auction Period shall be a Standard Auction Period.

[NAME OF AUCTION AGENT], as Auction Agent

By _____
Title: _____
Date: _____

EXHIBIT E

NOTICE OF FEE RATE CHANGE

\$ _____
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

NOTICE IS HEREBY GIVEN that the Broker-Dealer Fee Rate has been changed in accordance with Section 4.5(b) of the Auction Agency Agreement. The new Broker-Dealer Fee Rate shall be __ of __% per annum.

Terms used herein have the meanings set forth in the Indenture relating to the above-referenced issue.

[NAME OF AUCTION AGENT], as Auction Agent

By _____
Title: _____
Date: _____

Approval of Fee Rate Change:

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY,
as Issuer

By _____
Executive Director
Date: _____

EXHIBIT F

NOTICE OF INTEREST RATE

\$ _____
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

NOTICE IS HEREBY GIVEN that a condition for the establishment of a change in the length of one or more Auction Periods for the captioned Series 2004B has not been met. The Interest Rate for the Auction Period commencing on _____ shall be the Maximum Auction Rate and such Auction Period shall remain an Auction Period of __ days.

[NAME OF AUCTION AGENT], as Auction Agent

By _____
Title: _____
Date: _____

EXHIBIT G

NOTICE OF PAYMENT DEFAULT

§ _____
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

NOTICE IS HEREBY GIVEN that a Payment Default has occurred and not been cured. Determination of the interest rate on the Series 2004B pursuant to the Auction Procedures will be suspended. The interest rate on the Series 2004B for each Auction Period commencing after such occurrence and during the continuance thereof to and including the subsequent Auction Period, if any, during which, or commencing less than two Business Days after, such Payment Default is waived or cured in accordance with the Indenture will equal the Non-Payment Rate on the Auction Date for each such subsequent Auction Period.

Terms used herein have the meanings set forth in the Indenture relating to the above-referenced issue.

[NAME OF AUCTION AGENT], as Auction Agent

By _____
Title: _____
Date: _____

MARKET AGENT AGREEMENT

Between

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

and

MORGAN KEEGAN & COMPANY, INC.,
as Market Agent

Dated as of August 1, 2004

Relating to

\$ _____
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B

MARKET AGENT AGREEMENT

THIS MARKET AGENT AGREEMENT (the "Agreement"), dated as of August 1, 2004, between THE BANK OF NEW YORK TRUST COMPANY, N.A., a national banking association, as Trustee under the Indenture (as defined below) (together with any successors and assigns, the "Trustee"), and MORGAN KEEGAN & COMPANY, INC., a municipal securities dealer (in its role as market agent hereunder and together with any successors and assigns, the "Market Agent").

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") proposes to issue its \$[Amount of A Bonds]* in aggregate principal amount of its Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B");

WHEREAS, the Series 2004B will be issued pursuant to a Trust Indenture (the "Indenture") of even date herewith between the Issuer and the Trustee;

WHEREAS, the Trustee is entering into this Agreement, upon the direction of the Authority, with the Market Agent pursuant to the Indenture; and

WHEREAS, the Trustee and the Market Agent desire to make additional provisions regarding the role of the Market Agent.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Trustee and the Market Agent hereby agree as follows:

1. Definitions. Capitalized terms not defined herein shall have the respective meanings specified in the Indenture. All references herein to a particular time of day shall be to New York City time.

2. Appointment of Market Agent. The Trustee hereby acknowledges appointment by the Authority of Morgan Keegan & Company, Inc., as Market Agent, with respect to the Series 2004B. The Market Agent hereby accepts such appointment and agrees to perform all duties and obligations of the Market Agent hereunder and under the Indenture.

3. Auction Schedule.

As provided in the Auction Agency Agreement, the Auction Agent will conduct Auctions for the Series 2004B in accordance with the schedule set forth below. Such schedule shall be changed by the Auction Agent if directed in writing by the Trustee and the Market Agent to reflect then currently accepted market practices for similar auctions. The Auction Agent will give written notice of any such change to each Broker-Dealer. Such notice will be given prior to the close of business on the Business Day next preceding the first Auction Date on which any such change shall be effective.

| <u>Time</u> | <u>Event</u> |
|---|--|
| By 9:30 A.M. | Auction Agent advises the Trustee, the Authority and the Broker-Dealers of the All-Hold Rate and the Maximum Auction Rate to be used in determining the Auction Rate under the Auction Procedures, the Indenture and this Agreement. |
| 9:30 A.M. - 1:00 P.M. | Auction Agent assembles information communicated to it by Broker-Dealers as provided in Section 302(c)(i) of the Indenture. Submission Deadline is 1:00 P.M. |
| As soon as practical after 1:00 P.M. | Auction Agent makes determinations pursuant to Section 302(c)(i) of the Indenture. Auction Agent advises the Authority and the Broker-Dealers of the Auction Rate as provided in Section 302(c)(ii). |
| By approximately 3:00 P.M. but not later than the close of business | Auction Agent advises the Trustee of results of the Auction as provided in Section 302(c)(ii) of the Indenture. Submitted Bids and Submitted Sell Orders are accepted and rejected as provided in Section 302(d) of the Indenture. |

4. Change of Auction Date and Auction Period.

As provided for by, and upon satisfaction of the conditions set forth in, Section 305 of the Indenture, the Authority may change the length of a single Auction Period or the Standard Auction Period. As provided for by, and upon satisfaction of the conditions set forth in, Section 306 of the Indenture, the Market Agent, at the direction of the Authority, may change, in order to conform with then-current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date, the Auction Date for all future Auction Periods to a different day, so long as the first such Auction Date will be a Business Day in the calendar week in which the next succeeding Auction Period is then scheduled to occur.

5. Changes in Auction Agent Fee Rate: Other Duties.

(a) The Market Agent agrees that it will comply with the provisions of Section 4.4(a) of the Auction Agency Agreement and act in good faith from time to time to determine the appropriate amount of the Auction Agent Fee Rate in accordance with said Section.

(b) The Market Agent agrees to perform such other duties of Market Agent in accordance with the Indenture as are set forth therein.

6. Fees. The Market Agent agrees that it will receive no fees for its services as Market Agent under this Agreement.

7. Rights and Liabilities of the Market Agent.

(a) The Market Agent shall incur no liability for, or in respect of, any action taken or omitted to be taken, or suffered by it in reliance upon the Indenture or any Bond, written instruction, notice, request, direction, certificate, consent, report, affidavit, statement, order or other instrument, paper, document or communication reasonably believed by it in good faith to be genuine and on which it reasonably believed it is entitled to rely. Any order, certificate, affidavit, instruction, notice, request, direction, statement or other comment from the Trustee or given by it and sent, delivered or directed to the Market Agent under, pursuant to, or as permitted by, any provision of this Agreement shall be sufficient for purposes of this Agreement if such comment is in writing and signed by any officer of the Trustee. In the absence of bad faith or negligence on its part, neither the Market Agent nor its officers or employees shall be liable for any action taken, suffered or omitted or for any error of judgment made in the performance of its duties under this Agreement. The Market Agent shall not be liable for any error of judgment made in good faith unless the Market Agent shall have been negligent in ascertaining (or failing to ascertain) the pertinent facts. No party shall be liable for any default resulting from force majeure which shall be deemed to include any circumstances beyond the reasonable control of the party affected. No action, regardless of form, arising out of or pertaining to the role of the Market Agent hereunder may be brought by any party hereto or beneficiary hereof more than twelve (12) months after the cause of action arises.

(b) The Market Agent may consult with counsel satisfactory to it, and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken or omitted to be taken or suffered by it hereunder in good faith and in accordance with the advice of such counsel.

(c) The Market Agent, its directors, officers and employees may become the owner of, or acquire any interest in, any Auction Bond, with the same rights that such Market Agent, director, officer or employee would have if the Market Agent were not Market Agent hereunder, and the Market Agent, its directors, officers and employees may engage or be interested in any financial or other transaction with the Authority and may act on, or as depository, trustee or agent for, any committee or body of holders of Series 2004B or other obligations of the Authority as freely as if the Market Agent were not a Market Agent hereunder.

(d) The Market Agent shall not incur any liability with respect to the validity of any of the Series 2004B.

8. Duties of Market Agent. The Market Agent shall be obligated only to perform such duties as are specifically set forth herein and in the Indenture and no other duties or obligations on the part of the Market Agent, in its capacity as such, shall be implied by this Agreement.

9. Termination. This Agreement shall terminate on the earlier of (i) the satisfaction and discharge of the Indenture, (ii) the resignation or removal of the Market Agent pursuant to the

provisions of Section 309 of the Indenture, and (iii) conversion of the Series 2004B to another methodology for determining the rate of interest thereon as provided in the Indenture.

10. Communications.

(a) Except for communications authorized to be by telephone by this Agreement, all notices, requests and other communications to the Authority, the Market Agent, the Auction Agent or the Trustee shall be in writing (including facsimile or similar writing) and shall be given to such entity, addressed to it, at its address or facsimile number set forth below:

If to the Market Agent, addressed to:

Morgan Keegan & Company, Inc.

Memphis, Tennessee _____
Attention: _____

Facsimile No.: (901) _____ - _____
Telephone No.: (901) _____ - _____

If to the Authority:

Louisiana Local Government Environmental Facilities and Community
Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809-2233
Attention: Executive Director

If to the Auction Agent:

[Name of Auction Agent]

Attention: _____
Telephone No.: (_____) _____ - _____
Facsimile No.: (_____) _____ - _____

If to the Trustee:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, FL 32256
Attention: Corporate Trust Division
Telephone No.: (904) 645-1943
Facsimile No.: (904) 645-1930

Each entity listed above may change the address for service of notice upon it by a notice in writing to the other entities named above. Each such notice, request or communication shall be effective when delivered at the address specified herein.

(b) The Market Agent may rely upon, and is authorized to honor, any telephonic requests or directions which the Market Agent reasonably believes in good faith to emanate from an authorized representative of the Trustee, regardless of the source of such request or direction. Any telephonic request or direction to the Market Agent shall promptly be confirmed in writing; provided, however, that failure to receive any such notice shall not affect the authority of the Market Agent to rely and act upon such request or direction.

11. Miscellaneous.

(a) This Agreement contains the entire agreement between the parties relating to the subject matter hereof, and there are no other representations, endorsements, promises, agreements or understandings, oral, written or inferred, between the parties relating to the subject matter hereof.

(b) The terms of this Agreement as set forth herein shall not be waived, altered, modified, amended or supplemented in any manner whatsoever except by written instrument signed by both of the parties hereto with the consent of the Bond Insurer.

(c) This Agreement shall be binding upon, and inure to the benefit of, the Trustee as agent for the registered owners of the Series 2004B and the Market Agent and their respective successors and assigns.

(d) If any clause, provision or section hereof shall be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof.

(e) This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(f) This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana.

(g) In case of any conflict between the provisions of this Agreement and the provisions of the Indenture, the Indenture will control.

(h) The rights, privileges, immunities and protections granted to the Trustee in the Indenture and the standard of care imposed upon the Trustee in the Indenture shall apply with equal force and effect to the duties and obligations of the Trustee under this Agreement.

12. Amendment. The provisions herein regarding auction procedures may be amended from time to time to conform to industry practices solely upon the written consent of the parties hereto and the Bond Insurer and upon written notice of such amendment to the affected Holders of such Series 2004B, and no prior written consent of any such Holder shall be required in connection with such amendment.

[Execution follows on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the date first above written.

THE BANK OF NEW YORK TRUST COMPANY,
N.A., as Trustee

By _____
Vice President

MORGAN KEEGAN & COMPANY, INC., as
Market Agent

By _____
Managing Director

\$15,000,000
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) SERIES 2004B**

NOTICE TO HOLDERS OF PROPOSED FIXED RATE CONVERSION

Notice is hereby given to the registered owners of the above-captioned issue (the "*Series 2004B*") of the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") that:

1. The Issuer is proposing to convert the interest rate on the Series 2004B to a fixed interest rate (the "*Fixed Rate*") on _____ (the proposed "*Fixed Rate Conversion Date*").

2. All Series 2004B are subject to mandatory tender for purchase on the proposed Fixed Rate Conversion Date at a purchase price equal to the principal amount thereof.

3. The Fixed Rate shall take effect only if (A) the Trustee and the Auction Agent shall receive (i) a certificate of the Issuer by no later than the tenth (10th) day prior to the Fixed Rate Conversion Date stating that a written agreement has been entered into by the Issuer and the Remarketing Agent to remarket the Series 2004B on the Fixed Rate Conversion Date at a price of not less than one hundred percent (100%) of the principal amount thereof, which agreement (a) may be subject to such reasonable terms and conditions which in the judgment of the Remarketing Agent reflect current market standards regarding investment banking risk and (b) must include a provision requiring payment by the Remarketing Agent in same-day funds for any Series 2004B to be remarketed and (ii) by 11:00 a.m. (New York City time) on the second (2nd) Business Day prior to the Fixed Rate Conversion Date by telex, telecopy, or other similar means, a certificate from the Issuer authorizing the establishment of the Fixed Rate and confirming that Bond Counsel expects to be able to give an opinion on the Fixed Rate Conversion Date to the effect that the change to the Fixed Rate is authorized by the Trust Indenture (the "*Indenture*") dated as of August 1, 2004, between the Issuer and The Bank of New York Trust Company, N.A., as Trustee, and will not have an adverse effect on the exclusion of interest on the Series 2004B from gross income for federal income tax purposes, and (B) the Trustee and the Auction Agent shall receive (i) by 9:30 a.m. (New York City time) on the Fixed Rate Conversion Date, (a) a Bond Counsel Opinion to the effect that the Fixed Rate Conversion is authorized by the Indenture and will not have an adverse effect on the exclusion of interest on such Series 2004B from gross income for federal income tax purposes and (b) written confirmation from the Rating Agencies of the ratings on the Series 2004 Bonds after the implementation of such Fixed Rate Conversion, and (ii) by 4:00 p.m. (New York City time) on the Fixed Rate Conversion Date, a certificate from the Issuer that all of the Series 2004B tendered or deemed tendered have been purchased at a price equal to the principal amount thereof, plus accrued interest, if any, with funds provided from the remarketing of such Series 2004B and the premium, if any, has been paid from moneys deposited with the Trustee. If any of the conditions set forth in (A)

shall not be met, the Auction Rate shall be established for the next succeeding Auction Period in accordance with the procedures set forth in Article III of the Indenture. If any of the conditions set forth in (B) above shall not be met, the Auction Rate for the next succeeding Auction Period shall be established at the Maximum Auction Rate.

4. Registered owners of Series 2004B are required to deliver their Series 2004B Bonds to the Tender Agent by no later than 12:00 noon, New York City time, on the proposed Fixed Rate Conversion Date at the office of the Tender Agent located at _____, _____, _____, endorsed in blank for transfer by the registered (beneficial) owner thereof or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed in blank for transfer by the registered owner thereof (the Tender Agent being able to refuse payment with respect to any such Bond not endorsed in blank or for which an instrument of transfer satisfactory to it has not been provided).

5. Each registered owner of Series 2004B who shall have properly tendered such Series 2004B in accordance with the above provisions will be paid the purchase price therefor on the proposed Fixed Rate Conversion Date and if such purchase price, plus interest to the Fixed Rate Conversion Date which will be paid to such registered owner in accordance with the Indenture, shall be paid, such registered owner shall have no further rights with respect to said Series 2004B.

6. With respect to any registered owner of Series 2004B who shall not have properly tendered such Series 2004B in accordance with the above provisions of this notice, (A) such registered owner's Series 2004B will be deemed tendered and purchased on such Fixed Rate Conversion Date at a purchase price equal to the principal amount thereof plus premium, if any, (B) such registered owner will be paid interest on such Series 2004B on the proposed Fixed Rate Conversion Date as provided in the Indenture on and will be paid the purchase price for such Series 2004B upon the tender of such Series 2004B to the Tender Agent and (C) such Series 2004B shall, on and after the proposed Fixed Rate Conversion Date, cease to accrue interest and after the proposed Fixed Rate Conversion Date such registered owner will have no rights with respect to such Series 2004B except the right to receive payment of the purchase price (without interest thereon from and after the Fixed Rate Conversion Date) upon tender of such Series 2004B to the Tender Agent.

7. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Indenture.

Dated: _____

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By _____

\$15,000,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004B

NOTICE OF PAYMENT DEFAULT

NOTICE IS HEREBY GIVEN that a Payment Default currently exists with respect to the above-captioned issue. The next Auction for the Series 2004B will be held as scheduled on _____, _____. The rate of interest on the Series 2004B for the next succeeding Auction Period shall be determined through application of the Auction Procedures.

Dated: _____

THE BANK OF NEW YORK TRUST COMPANY,
N.A.

By _____
Authorized Signatory

\$15,000,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004B

NOTICE OF CURE OF PAYMENT DEFAULT

NOTICE IS HEREBY GIVEN that the Payment Default with respect to the above-captioned issue has been cured. The next Interest Payment Date is _____,
_____.

Dated: _____

THE BANK OF NEW YORK TRUST COMPANY,
N.A.

By _____
Authorized Signatory

\$15,000,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY
DEVELOPMENT AUTHORITY
REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004B

NOTICE TO PROPOSED CHANGE IN [AUCTION PERIOD]
[AND] [STANDARD AUCTION PERIOD]

NOTICE IS HEREBY GIVEN that Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") proposes to change the [Auction Period] [Standard Auction Period] in accordance with Section 3.18 of the Trust Indenture (the "*Indenture*") dated as of August 1, 2004, between the Issuer and The Bank of New York Trust Company, N.A., as Trustee. Assuming the conditions set forth below are met, such change will be effective on _____.

1. The new Auction Period and/or Standard Auction Period shall take effect only if (a) the Trustee and the Auction Agent receive, by 11:00 a.m. (New York City time) on the Business Day prior to the Auction Date, a certificate from the Issuer, by telex, telecopy, or similar means (i) authorizing the establishment of the new Auction Period and/or Standard Auction Period, which shall be specified in such authorization and (ii) confirming that Bond Counsel expects to be able to give an opinion on the date the new Auction Period shall take effect to the effect that the change in the Auction Period and/or Standard Auction Period is authorized by the Indenture, and will not have an adverse effect on the exclusion of interest on the Series 2004B from gross income for federal income tax purposes, (b) the Trustee shall not have delivered to the Auction Agent by 12:15 p.m. (New York City time) on the date the new Auction Period is intended to take effect notice that an Insufficient Funds Event has occurred, (c) Sufficient Clearing Bids shall be received with respect to such Auction Period and/or Standard Auction Period, and (d) the Trustee and the Auction Agent shall receive by 9:30 a.m. (New York City time) on the date the new Auction Period is intended to take effect, an opinion of Bond Counsel to the effect that the change in the Auction Period and/or Standard Auction Period is authorized by the Indenture, and will not have an adverse effect on the exclusion of interest on such Series 2004B from gross income for federal income tax purposes.

2. If any of the conditions referred to in (a) above is not met, the Auction Rate for the next succeeding Auction Period shall be established in accordance with the procedures set forth in Section 3.15 of the Indenture. If any of the conditions set forth in (b), (c), or (d) is not met, the Auction Rate for the next succeeding Auction Period shall be established at the Maximum Auction Rate. If any of the foregoing conditions are not met with respect to a change in the Standard Auction Period, the Standard Auction Period shall remain the Auction Period designated as such and in effect immediately prior to any change proposed pursuant to Section 3.15.

3. [Insert the following if the Auction Date will be changed in conjunction with a change in the Auction Period: The Market Agent will also change the Auction Date in conjunction with such change in the Auction Period. The Auction Date will be _____ as of the effective date set forth above.]

All terms not otherwise defined in this notice shall have the meanings set forth in the Indenture.

Dated: _____

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By _____,
_____, Chairman

\$15,000,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004B

NOTICE OF CHANGE IN AUCTION DATE

NOTICE IS HEREBY GIVEN that the Auction Date for auctions conducted with respect to the above-captioned bonds has been changed to _____. The next succeeding Auction Date will be _____, _____. In order to accommodate such change, the next succeeding Auction Period will consist of ___ days and shall begin on _____, _____ and end on _____, _____. Interest will be paid on _____, _____.

Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Trust Indenture (the "*Indenture*") dated as of August 1, 2004, between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Trust Company, N.A., as Trustee.

Dated: _____

[MARKET AGENT]

By _____
Authorized Officer

\$15,000,000

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

NOTICE OF VARIABLE RATE CONVERSION

Notice is hereby given to the registered owners of the above-captioned issue (the "**Series 2004B Bonds**") of the Louisiana Local Government Environmental Facilities and Community Development Authority (the "**Issuer**") that:

1. In accordance with the Trust Indenture (the "**Indenture**") dated as of August 1, 2004, between the Issuer and The Bank of New York Trust Company, N.A., as Trustee, subject to the conditions hereinafter set forth, if any, the interest rate on the Series 2004B Bonds will be changed to a Variable Rate.

2. The Variable Rate Conversion will be effective from and after _____
(the "**Variable Rate Conversion Date**").

3. The Series 2004B Bonds are subject to mandatory tender for purchase on the Variable Rate Conversion Date at a purchase price equal to the principal amount thereof.

4. A Variable Rate shall take effect only if:

(A) the Trustee and the Auction Agent shall receive (i) a certificate by the Issuer by no later than the tenth (10th) day prior to the Variable Rate Conversion Date of the Variable Rate Conversion stating that a written agreement between the Issuer and the Remarketing Agent to remarket the Series 2004B Bonds on the Variable Rate Conversion Date of the Variable Rate Conversion at a price of 100% of the principal amount thereof has been entered into, which agreement (a) may be subject to such reasonable terms and conditions which in the judgment of the Remarketing Agent reflect the current market standards regarding investment banking risk and (b) must include a provision requiring payment by the Remarketing Agent in same-day funds for any Series 2004B Bonds to be remarketed, and that a Liquidity Facility meeting the requirements set forth in **Exhibit M** to the Indenture is in effect or has been obtained by the Issuer with respect to the Series 2004B Bonds, (ii) by 11:00 a.m. (New York City time) on the second Business Day prior to a Variable Rate Conversion Date by telex, telecopy, or other similar means, a certificate from the Issuer (y) authorizing the establishment of the Variable Rate and the execution of a supplemental Indenture setting forth the terms and provisions described in Section 3.22(a) of the Indenture relating to the Variable Rate Bonds and (z) confirming that bond counsel expects to be able to give an opinion on the Variable Rate Conversion Date of the Variable Rate Conversion to the effect that the Variable Rate Conversion is authorized by the Indenture, and will not have an adverse effect on the exclusion of interest on the Series

2004B Bonds from gross income for federal income tax purposes, (iii) a Liquidity Facility meeting the requirements of the Indenture shall have been delivered to the Tender Agent not less than one Business Day prior to the Variable Rate Conversion Date that is, by its terms, in effect prior to such Variable Rate Conversion Date, (iv) by 9:30 a.m. (New York City time) on the Variable Rate Conversion Date the Trustee, the Auction Agent, the Broker Dealer and the Market Agent shall receive an opinion of bond counsel to the effect that the Variable Rate Conversion is authorized by the Indenture and will not have an adverse effect on the exclusion of interest on such Series 2004B Bonds from gross income for federal income tax purposes, and (v) by 4:00 p.m. (New York City time) on the Effective Date of the Change in the Interest Rate Mode, a certificate from the Issuer that all of the Series 2004B Bonds that bear interest at an Auction Rate tendered or deemed tendered have been purchased at a price equal to the principal amount thereof with funds provided from the remarketing of such Series 2004B Bonds in accordance with the Remarketing Agreement or from the proceeds of the Liquidity Facility;

(B) If any of the conditions set forth in (A)(i) or (ii) is not met, the Auction Rate for the next succeeding Auction Period shall be established in accordance with the procedures set forth in Sections 3.14 through 3.19 of the Indenture. If the condition set forth in (A)(iii) - (v) above is not met, the Auction Rate for the next succeeding Auction Period shall be established at the Maximum Auction Rate.

5. Registered owners of Series 2004B Bonds are required to deliver their Series 2004B Bonds to the Tender Agent at no later than 12:00 noon, New York City time, on the Variable Rate Conversion Date at the office of the Tender Agent referred to above, endorsed in blank by the registered owner thereof or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed for transfer in blank by the registered owner thereof (the Tender Agent being able to refuse to make payment with respect to any such Series 2004B Bond not endorsed in blank or for which an instrument of transfer satisfactory to it has not been provided).

6. Each registered owner of Series 2004B Bonds who has properly tendered such Series 2004B Bonds in accordance with the above provisions will be paid the purchase price therefor on the Variable Rate Conversion Date and if such purchase price, plus interest accrued to the Variable Rate Conversion Date which will be paid to such registered owner in accordance with the Indenture, is paid, such registered owner shall have no further rights with respect to said Series 2004B Bonds.

7. With respect to any owner of Series 2004B Bonds who has not properly tendered such Series 2004B Bonds in accordance with the above provisions of this notice, (A) such registered owner's Series 2004B Bonds will be deemed tendered and purchased on the Variable Rate Conversion Date at a purchase price equal to the principal amount thereof, (B) such registered owner will be paid interest on such Series 2004B Bonds on the Variable Rate Conversion Date as provided in the Indenture and will be paid the purchase price for such Series 2004B Bonds upon the tender of such Series 2004B Bonds to the Tender Agent and (C) such Series 2004B Bonds shall, on and after the Variable Rate Conversion Date, cease to accrue interest and after the Variable Rate Conversion Date such owner will have no rights with respect

to such Series 2004B Bonds except the right to receive payment of the purchase price equal to the principal amount thereof (without interest thereon from and after the Variable Rate Conversion Date) upon tender of such Series 2004B Bonds to the Tender Agent.

8. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Indenture.

Dated: _____

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By _____
_____, Chairman

[TO BE REVISED AS PER MBIA'S COMMENTS]

REQUIREMENTS FOR LIQUIDITY FACILITY AND LIQUIDITY FACILITY PROVIDER

(a) Bank Approval; Rating. The issuer of the Liquidity Facility (the "Bank ") must be approved by the Bond Insurer and must qualify for the highest short-term credit rating from S&P and Moody's.

(b) Term and Termination. The Liquidity Facility must be unconditional and irrevocable for its stated term. Termination of the Liquidity Facility prior to its stated expiration date, without notice to bondholders and provision for final tender, is acceptable only for the following reasons:

(i) Failure by the Bond Insurer to pay amounts due under the insurance policy related to the Series 2004 Variable Rate Bonds (the "Policy")

(ii) Insolvency of the Bond Insurer.

(iii) Final non-appealable decision of a court of competent jurisdiction that the Policy is invalid.

(c) Termination of the Liquidity Facility with 30 day's notice is only permitted for non-payment of regularly scheduled commitment fees. The Bond Insurer requires immediate telephonic notice with subsequent written confirmation to its Insured Portfolio Department Manager of any non-payment of regularly scheduled commitment fees.

(d) Bond Insurer Downgrading. The Liquidity Facility may not terminate or suspend for a downgrading of the Bond Insurer's claims paying rating by S&P or Moody's. However, the Indenture may provide that the Bond Insurer may be replaced upon its downgrading below the second highest rating by S&P and Moody's.

(e) Replacement of Liquidity. Replacement of the Bank must be allowed upon any short-term downgrading of the Bank below the top two highest short term ratings by either S&P or Moody ' s or upon any request by the Bank for the payment of increased costs to the Bank to compensate the Bank for increased costs of providing the Liquidity Facility (discussed below).

(f) Liquidity Obligation. The Liquidity Facility must provide for a Commitment Period of at least 364 days. The Commitment Period must be renewable at least 6 months prior to its scheduled expiration date. At the end of such period, there must be a Holding Period during which bonds owned by the Bank will be subject to amortization on an insured basis. The Holding Period must be for a minimum of five years after the expiration of the Commitment

Period. The Liquidity Facility must provide for (i) the purchase of unremarketed bonds on any optional tender date and (ii) the purchase of bonds on any mandatory tender date, including mandatory tenders precipitated by expiration of the Liquidity Facility, conversion to a fixed interest rate or interest rate mode change. The Liquidity Facility commitment must be in an amount equal to the outstanding principal amount of the applicable bonds, plus interest at the fixed maximum bond rate for a specified number of days determined by the structure of the specific financing, unless tenders may only be made on interest payment date.

(g) Conversion of Bonds To A Fixed Rate or Auction Rate. Bonds may only be converted to a fixed interest rate mode or auction rate mode upon prior written consent of the Bond Insurer. Such fixed rate Bonds or auction rate bonds, as the case may be, shall bear an interest rate or have an interest rate cap not to exceed the cap rate on the variable rate bonds prior to the conversion.

(h) Liquidity Rate. The Bank must negotiate its rate of interest charged for funds provided by it under its Liquidity Facility with the bond obligor; provided, however, that such interest rate must be approved by the Bonds Insurer and should not exceed such Bank's prime rate of interest and, provided further, that the negotiated Bank interest rate must be subject to a fixed rate interest cap (the " Bank Cap"), to be approved by the Bond Insurer.

(i) Bond Insurer's Obligation. The Bond Insurer guarantees to the Bank payment of principal and interest on the bonds, while bonds are held by the Bank, at a rate of interest not to exceed the Bank Cap. The Bond Insurer may also provide a program fee surety bond insuring payment of annual commitment fees under the Liquidity Facility. The Bond Insurer requires immediate telephonic notice with subsequent written confirmation to its Insured Portfolio Department Manager of any non-payment of regularly scheduled commitment fees.

(j) Interest Recapture. As noted above, a Liquidity Facility should be priced to reflect the rate risk created by the fixed interest maximum rate cap over the term of the facility with no recapture alternatives. However, where a Bank Cap is so low as to generate unacceptable rate risk, limited interest recapture can be provided only as follows:

With regard to bonds held by a Bank, excess interest accrued above the Bank Cap on the bonds may be recaptured for future interest rate periods, but only to the extent the Bank is the owner of the bonds during such future interest rate periods. If the negotiated interest rate charged by the Bank drops below the Bank Cap, the Bank may recapture the difference between the negotiated liquidity rate (the " Bank Rate ") and the Bank Cap, to the extent such rate differential is applied to bonds then held by the Bank. Accrued recapture interest amounts must be extinguished upon: (i) the termination of the Liquidity Facility; (ii) conversion

of the bonds to a fixed interest rate; (iii) payment or prepayment of the obligor's loan in total; or (iv) payment or defeasance of the bonds.

(k) Acceleration. Under no circumstances will MBIA permit acceleration of any of its insured obligations.

(l) Remarketing. The Liquidity Facility must provide that bonds purchased under it will be tendered to the Remarketing Agent upon demand, subject to payment to the Bank of principal and accrued interest at the Bank Rate. If the Bank desires the right to retain bonds, adequate notice to the Remarketing Agent must be provided and bonds so retained would no longer bear interest at the Bank Rate. The Remarketing Agent must have trust powers if they are responsible for holding monies or receiving bonds. Alternately, the documents may provide that if the Remarketing Agent is removed, resigns or is unable to perform its duties, the trustee must assume the responsibilities of remarketing agent until a substitute acceptable to the Bond Insurer is found. The trustee must be a commercial bank with trust powers and be approved by the Bond Insurer.

(m) Enforceability Opinion. The Bank must deliver an opinion of outside counsel that the Liquidity Facility is the legally valid, binding and enforceable obligation of such Bank, subject only to standard bankruptcy exceptions. If the Bank is a U. S. branch of a foreign bank, an opinion of foreign counsel must be delivered.

(n) Yield Equivalency Provisions. In limited circumstances, Liquidity Facilities may include a provision for an additional fee to provide a yield equivalency to the Bank. Such provisions must be limited to a change in law, regulation or interpretation; Banks must price their facilities on the basis of all costs or potential costs that may arise under existing laws and regulations. No yield equivalency increase will be permitted for loss of tax deductible interest on the bonds or the interest carrying deduction for tax-exempt obligations. As noted above, the Liquidity Facility must allow for replacement upon imposition of any such yield equivalency fee.

(o) Beneficiary. The Bond Insurer must be made an explicit third-party beneficiary of the Liquidity Facility; or, at the option of the Bank, be a party to the Liquidity Facility.

(p) Amendments. The Liquidity Facility should provide that no amendments may be made thereto without the prior written consent of the Bond Insurer.

(q) No Set-Off. No set-off allowed as long as the Bond Insurer is not in default under the Policy.

(r) Reimbursement Agreement. The Bond Insurer will require a Reimbursement Agreement with the borrower to reimburse the Bond Insurer for any amounts expended due to a default in payment of the Bonds.

EXHIBIT N**CAPITALIZED INTEREST FUND DISBURSEMENT SCHEDULE**

| Draw Date | Disbursement |
|------------|--------------|
| 8/25/2004 | 30,354.60 |
| 9/25/2004 | 47,858.33 |
| 10/25/2004 | 57,622.67 |
| 11/25/2004 | 38,022.26 |
| 12/25/2004 | 39,333.74 |
| 1/25/2005 | 1,018,468.20 |
| 2/25/2005 | 30,897.18 |
| 3/25/2005 | 34,349.23 |
| 4/25/2005 | 39,761.05 |
| 5/25/2005 | 31,801.29 |
| 6/25/2005 | 30,732.80 |
| 7/25/2005 | 792,105.04 |
| 8/25/2005 | 24,157.45 |
| 9/25/2005 | 23,335.54 |
| 10/25/2005 | 28,844.95 |
| 11/25/2005 | 18,404.03 |
| 12/25/2005 | 16,513.62 |
| 1/25/2006 | 489,174.37 |

EXECUTION VERSION

FIRST SUPPLEMENTAL
LOAN AND ASSIGNMENT AGREEMENT

by and between

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

and

UNIVERSITY FACILITIES, INC.

Dated as of November 1, 2013

in connection with:

\$40,910,000
Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

TABLE OF CONTENTS

| | |
|--|----|
| ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION | 3 |
| Section 1.1 Definitions | 3 |
| Section 1.2 Rules of Construction | 10 |
| ARTICLE II REPRESENTATIONS..... | 10 |
| Section 2.1 Representations by the Authority | 10 |
| Section 2.2 Representations of the Corporation | 10 |
| Section 2.3 Environmental Representations..... | 11 |
| ARTICLE III TERM, NATURE AND BENEFITS OF SUPPLEMENTAL LOAN AGREEMENT; CONSTRUCTION OF FACILITIES | 13 |
| Section 3.1 Term | 13 |
| Section 3.2 Nature and Benefits | 13 |
| Section 3.3 Revision of Facilities Documents..... | 13 |
| Section 3.4 No Warranty of Condition or Suitability | 14 |
| ARTICLE IV DISBURSEMENT OF SERIES 2013 BOND PROCEEDS; PAYMENTS; CREDITS; OBLIGATIONS UNCONDITIONAL; PREPAYMENT..... | 14 |
| Section 4.1 Disbursement of Series 2013 Bond Proceeds | 14 |
| Section 4.2 Amounts Payable | 14 |
| Section 4.3 Credits Against Payments | 15 |
| Section 4.4 Obligation to Make Payments | 15 |
| Section 4.5 Prepayment of Payments | 16 |
| ARTICLE V NON-ARBITRAGE | 17 |
| Section 5.1 Covenants as to Arbitrage..... | 17 |
| ARTICLE VI CERTAIN COVENANTS OF THE CORPORATION..... | 17 |
| Section 6.1 General Covenants of Corporation | 17 |
| Section 6.2 Covenants Regarding Operation and Maintenance by the Corporation of its Properties . | 19 |
| Section 6.3 Covenant as to Encumbrances | 20 |
| Section 6.4 Covenants, Representations and Warranties Relating to Federal Income Taxation..... | 20 |
| Section 6.5 Information | 21 |
| Section 6.6 Source of Payments | 22 |
| Section 6.7 Insurance..... | 22 |
| Section 6.8 Annual Reports | 22 |
| Section 6.9 Merger or Consolidation..... | 22 |
| Section 6.10 Revenue Transfer to Trustee..... | 23 |
| Section 6.11 Disposition of Assets | 23 |
| Section 6.12 Additional Corporation Representations | 23 |
| Section 6.13 Continuing Disclosure | 23 |
| ARTICLE VII ASSIGNMENT..... | 24 |
| Section 7.1 Assignment of this Supplemental Loan Agreement | 24 |
| Section 7.2 Restrictions on Transfer of Authority’s Rights | 24 |
| Section 7.3 Assignment by the Authority | 24 |

| | |
|---|----|
| ARTICLE VIII SUPPLEMENTS AND AMENDMENTS | 24 |
| Section 8.1 Amendment to Loan Agreement Without Consent | 24 |
| Section 8.2 Amendment to Loan Agreement Upon Approval of a Majority of Bondholders | 25 |
| Section 8.3 Amendments to Facilities Lease or the Ground Lease Not Requiring Owner Consent ... | 25 |
| Section 8.4 Amendments to the Facilities Lease or the Ground Lease Requiring Owner Consent..... | 26 |
| Section 8.5 Consent Required Under Certain Circumstances for Amendment of Facilities Lease or Ground Lease | 26 |
| Section 8.6 Opinion Required for Amendment of Facilities Lease or Ground Lease | 26 |
| Section 8.7 Consent of the Board | 27 |
| Section 8.8 Filing | 27 |
| Section 8.9 Reliance on Counsel | 27 |
| Section 8.10 Notice to Rating Agencies | 27 |
| ARTICLE IX EVENTS OF DEFAULT AND REMEDIES | 27 |
| Section 9.1 Events of Default Defined | 27 |
| Section 9.2 Remedies | 28 |
| Section 9.3 No Remedy Exclusive; Selective Enforcement | 28 |
| Section 9.4 Indenture Overriding | 28 |
| Section 9.5 Loan Agreement to Pay Attorneys' Fees and Expenses | 28 |
| Section 9.6 Authority and Corporation to Give Notice of Default | 29 |
| Section 9.7 Correlative Waivers..... | 29 |
| ARTICLE X MISCELLANEOUS | 29 |
| Section 10.1 References to the Series 2013 Bonds Ineffective After Series 2013 Bonds Paid..... | 29 |
| Section 10.2 Amounts Remaining in Funds..... | 29 |
| Section 10.3 Notices | 29 |
| Section 10.4 Binding Effect | 30 |
| Section 10.5 Performance on Legal Holidays | 30 |
| Section 10.6 Execution in Counterparts | 30 |
| Section 10.7 Applicable Law | 30 |
| Section 10.8 Severability | 30 |
| Section 10.9 Captions | 31 |
| Section 10.10 Consents and Approvals | 31 |
| Section 10.11 Third Party Beneficiaries | 31 |
| Section 10.12 Exculpatory Provision | 31 |
| Section 10.13 Accounts and Audits..... | 32 |
| Section 10.14 Date of Supplemental Loan Agreement..... | 32 |
| Section 10.15 Reliance | 32 |
| Section 10.16 Authority Not Liable | 32 |
| Section 10.17 No Violations of Law | 33 |

EXHIBIT A – DESCRIPTION OF FACILITIES

EXHIBIT B – PERMITTED ENCUMBRANCES

FIRST SUPPLEMENTAL LOAN AND ASSIGNMENT AGREEMENT

This FIRST SUPPLEMENTAL LOAN AND ASSIGNMENT AGREEMENT dated as of November 1, 2013 (the “*Supplemental Loan Agreement*”) is between LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (the “*Authority*”), and UNIVERSITY FACILITIES, INC., a non-profit corporation incorporated and existing under the laws of the State of Louisiana (the “*Corporation*”) and supplements and amends that certain Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation (the “*Original Loan Agreement*” and, together with the Supplemental Loan Agreement, the “*Loan Agreement*”).

WITNESSETH:

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Authority*”), is a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended, La. R.S. 33:4548.1 to 4548.6, inclusive) (the “*LCDA Act*”), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the “*Refunding Act*” and, together with the LCDA Act, the “*Act*”), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, pursuant to the Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee (the “*Original Indenture*”) and in accordance with the provisions of the Act, the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*” and, together with the Series 2004A Bonds, the “*Series 2004 Bonds*”) on behalf of University Facilities Inc., a Louisiana non-profit corporation (the “*Corporation*”), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University;

WHEREAS, pursuant to Section 5.2 of the Original Indenture, the Authority may issue Refunding Bonds, the proceeds of which may be used to refund all or a portion of the Series 2004 Bonds;

WHEREAS, pursuant to a First Supplemental Trust Indenture dated of even date herewith (the “*Supplemental Indenture*” and, together with the Original Indenture, the “*Indenture*”), the Authority is issuing its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”), the proceeds of the sale of which shall loaned to the Corporation, pursuant to this Supplemental Loan Agreement for the

purpose of (i) refunding the Refunded Bonds (as hereinafter defined); and (ii) paying the costs of issuance of the Series 2013 Bonds;

WHEREAS, the Corporation and the Authority are empowered to consummate the transactions contemplated hereunder and to do all acts and exercise all powers and assume all obligations necessary or incident thereto;

WHEREAS, in consideration of the issuance of the Series 2013 Bonds by the Authority, the Corporation will: (i) assign its rights under that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*"), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the "*Second Amendment to Facilities Lease*"), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "*Third Supplemental Facilities Lease*" and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the "*Facilities Lease*") each by and between the Corporation and the Board, pursuant to which the Corporation leases the Facilities on the Property that the Corporation leases from the Board pursuant to that certain Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the "*First Amendment to Ground Lease*"), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the "*Second Amendment to Ground Lease*"), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "*Third Supplemental Ground Lease*" and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the "*Ground Lease*") each by and between the Board and the Corporation, which assignment includes the Corporation's right to all Base Rental (as defined in the Facilities Lease) received thereunder, to the Authority, and (ii) agree to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, pursuant to the requirements of the Original Indenture, the Series 2013 Bonds shall be on a parity with the Series 2004B Bonds (as hereinafter defined) and any Additional Bonds, and accordingly, the Corporation and the Authority have this date supplemented the Facilities Lease such that the Corporation's assigned rights under the Facilities Lease include payment of all Base Rental sufficient to pay debt service on the Bonds (as hereinafter defined), and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, Sections 8.1, 8.3 and 8.7 of the Original Loan Agreement permit the Corporation and the Authority, with the written consent of the Series 2004 Bond Insurer (as hereinafter defined), the Board and the Trustee to supplement the Original Loan Agreement to conform to the Supplemental Indenture for the Additional Bonds;

WHEREAS, the Authority has adopted a resolution authorizing the sale and the issuance of the Series 2013 Bonds, the execution and delivery of instruments pertaining to the issuance thereof and other actions to be taken by the Authority in connection with the authorization, issuance, sale and delivery of the Series 2013 Bonds and the application of the proceeds thereof;

WHEREAS, all acts, conditions and things required by the laws of the State of Louisiana (the "*State*") to happen, exist and be performed precedent to and in the execution and delivery of this

Supplemental Loan Agreement have happened, exist and have been performed as so required in order to make this Supplemental Loan Agreement a valid and binding agreement in accordance with its terms;

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Supplemental Loan Agreement and the parties are now prepared to execute and deliver this Supplemental Loan Agreement; and

WHEREAS, in consideration of the respective representations and agreements contained herein, the parties hereto, recognizing that under the Act this Supplemental Loan Agreement shall not in any way obligate the State or any public corporation thereof, including, without limitation, the Authority, to raise any money by taxation or use other public moneys for any purpose in relation to the Series 2013 Bonds and that neither the State nor the Authority, shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Series 2013 Bonds except from moneys received or to be received under the provisions of this Supplemental Loan Agreement and the Indenture or derived from the exercise of the rights of the Authority thereunder, agree as follows:

NOW, THEREFORE, THIS SUPPLEMENTAL LOAN AGREEMENT WITNESSETH:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. All capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the preamble hereto or in the Original Indenture or the Supplemental Indenture. In addition to words and terms elsewhere defined in this Supplemental Loan Agreement, the following words and terms as used in this Supplemental Loan Agreement shall have the following meanings, unless some other meaning is plainly intended:

“*Act*” means, collectively, the LCDA Act and the Refunding Act.

“*Additional Bonds*” shall mean bonds issued on a parity with the Series 2004B Bonds and the Series 2013 Bonds in one or more series pursuant to Section 26 of the Facilities Lease and Article V of the Indenture.

“*Authority*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Authority by said provisions shall be given by law.

“*Authorized Authority Representative*” means the person(s) at the time designated to act under this Supplemental Loan Agreement and the Indenture on behalf of the Authority by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Authority by the Chairman, Vice Chairman, Executive Director or Assistant Secretary of the Authority. Such certificate may designate an alternate or alternates.

“*Authorized Corporation Representative*” means the President or Secretary/Treasurer of the Corporation.

“*Base Rental*” shall mean the amounts referred to as such in Section 6(b) of the Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms thereof) and paid to the Corporation, but does not include Additional Rental.

“*Board*” means the Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University, and on its own behalf.

“*Board Documents*” means the Ground Lease and the Facilities Lease, as they may be amended or supplemented from time to time.

“*Bond Counsel*” means Jones Walker LLP or such other nationally recognized bond counsel as may be selected by the Authority and acceptable to the Corporation.

“*Bond Documents*” means the Indenture, the Loan Agreement, the Facilities Lease, the Ground Lease and the Mortgage, as each may be amended or supplemented from time to time.

“*Bonds*” means the Series 2004B Bonds, the Series 2013 Bonds and any Additional Bonds.

“*Bondholder*” or “*owner*”, when used with reference to a Series 2013 Bond or Bonds, means the registered owner of any Outstanding Series 2013 Bonds.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*Closing Date*” means the date on which the Series 2013 Bonds are delivered and payment therefor is received by the Authority.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“*Contaminant*” shall mean any waste, pollutant or hazardous substance, as those terms are defined in CERCLA, regulations promulgated thereunder and any applicable state statutes, and any toxic substance, solid or hazardous waste as defined in RCRA and any applicable state statutes, special waste, petroleum or petroleum-derived substance, radioactive material or waste, polychlorinated biphenyls (PCBs), asbestos, or any continuant of any such substances or wastes.

“*Continuing Disclosure Certificate*” means, with respect to the Board, the Continuing Disclosure Certificate dated as of the Closing Date, by the Board, as the same may be amended or supplemented from time to time in accordance with its terms.

“*Corporation*” means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Defeasance Obligations*” means noncallable direct obligations of the United States of America (including direct obligations of the United States of America that have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

“*Environmental Lien*” shall mean a lien in favor of any Governmental Corporation for (i) any liability under federal or state environmental laws or regulations or (ii) damages arising from, or costs

incurred by such Governmental Corporation in response to, a Release or threatened Release of a Contaminant into the environment.

“*Environmental Regulation*” shall mean any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, contaminants, chemical waste, materials or substances.

“*Facilities*” means the Facilities described in Exhibit A to this Supplemental Loan Agreement that were designed, constructed, renovated and equipped with the proceeds of the Series 2004 Bonds, including all furniture, fixtures, equipment and furnishings incidental or necessary in connection therewith, on the campus of the University.

“*Facilities Documents*” means collectively the Loan Agreement, the Ground Lease, the Facilities Lease, other contract documents and agreements, and surety bonds and instruments pertaining to the Facilities.

“*Facilities Lease*” means the Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013, each by and between the Corporation and the Board, including any additional supplements and amendments thereto and thereof.

“*Fiscal Year*” means any period of twelve consecutive months adopted by the Corporation as its Fiscal Year for financial reporting purposes, currently the period beginning on January 1 and ending on December 31 of each year.

“*Governmental Corporation*” shall mean any nation or government, any federal, state, local or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“*Ground Lease*” means the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013, each by and between the Board, as lessor, and the Corporation, as lessee, whereby the Property is leased by the Board to the Corporation, and any amendment or supplement thereto entered into from time to time in accordance with the terms thereof.

“*Hazardous Substances*” shall mean dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances as defined in Environmental Regulations, and also any urea formaldehyde, polychlorinated biphenyls, asbestos, asbestos-containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject the owner or mortgagee or any Holder to any damages, penalties or liabilities under any applicable Environmental Regulation.

“*Indenture*” means the Original Indenture, as supplemented and amended by the Supplemental Indenture, as it may be further amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

“*Interest Account*” means the Interest Account within the Series 2013 Debt Service Fund created pursuant to Article IV of the Supplemental Indenture.

“*Interest Payment Date*” or “*interest payment date*”, when used with respect to the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014.

“*LCDA Act*” means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 to 4548.16, inclusive) and all future acts supplemental thereto and amendatory thereof.

“*Liabilities and Costs*” shall mean all liabilities, obligations, responsibilities, losses, damages, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation and feasibility studies), fines, penalties, monetary sanctions and interest.

“*Loan*” means the aggregate amount of the moneys loaned to the Corporation pursuant to the Loan Agreement.

“*Loan Agreement*” means the Original Loan Agreement as supplemented by this Supplemental Loan Agreement, as the same may be further supplemented or amended.

“*Mortgage*” means the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee.

“*Officer’s Certificate*” means a certificate signed by an Authorized Corporation Representative.

“*Operation and Maintenance Expenses*” means the expenses determined in accordance with generally accepted accounting principles of operating and maintaining the Project.

“*Original Indenture*” means the Trust Indenture dated as of August 1, 2004, between the Authority and the Trustee, pursuant to which the Series 2004 Bonds were issued.

“*Original Loan Agreement*” means the Loan and Assignment Agreement dated as of August 1, 2004 between the Corporation and the Authority.

“*Outstanding*” or “*outstanding*”, when used with reference to the Bonds, means all such bonds that have been authenticated and issued under the Indenture except those:

- (a) canceled by the Trustee pursuant to the Indenture;
- (b) for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of the Indenture;
- (c) that have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in the Indenture;

(d) in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in the Indenture; and

(e) for all purposes regarding consents and approvals or directions of Bondholders under the Loan Agreement or the Indenture, held by or for the Authority, the Corporation or any person controlling, controlled by or under common control with either of them.

“*Payments*” means the amounts of repayments under this Supplemental Loan Agreement with respect to the Series 2013 Bonds to be made by the Corporation as provided in Article IV of this Supplemental Loan Agreement.

“*Permitted Encumbrances*” means:

(a) any lien arising by reason of any good faith deposit with the Corporation in connection with any lease of real estate, bid or contract (other than any contract for the payment of money);

(b) any lien arising by reason of any deposit with or giving of security to any Governmental Corporation agency as a condition to the transaction of any business or the participation by the Corporation in any funds established to cover insurance risk or in connection with worker’s compensation, unemployment insurance, pension plans or other social security;

(c) any right reserved to any municipality or other public authority by the terms of any franchise, grant, license or provision of law affecting any property of the Corporation and any lien on any property of the Corporation for taxes, assessments or other municipal charges so long as such charges are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(d) mechanics’ and materialmen’s liens in connection with any property of the Corporation so long as any amounts secured by such lien are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(e) the Supplemental Indenture, this Supplemental Loan Agreement, the Ground Lease, the Facilities Lease or the Mortgage;

(f) any lien on property received by the Corporation through a gift, grant or bequest constituting a restriction imposed by the donor, grantor or testator on such gift, grant or bequest (or the income therefrom), provided that any such lien may not be extended, renewed or modified in any way or applied to any additional property of the Corporation unless it would otherwise qualify as a Permitted Encumbrance;

(g) any security interest in personal property securing all or a portion of the purchase price thereof (provided that this Permitted Encumbrance shall not be construed to permit the incurrence of indebtedness secured by such a security interest, it being understood that any such indebtedness may be incurred only to the extent expressly permitted by the other applicable provisions of the Indenture or this Supplemental Loan Agreement);

(h) such easements, rights-of-way, servitudes, restrictions and other defects, liens and encumbrances as are determined not to materially impair the use of the Corporation’s facilities for their

intended purposes or the value of such facilities, such determination to be made in a certificate of an authorized officer of the Corporation supported by an opinion of independent counsel or a report or opinion of an independent management consultant;

(i) liens incurred or assumed primarily for the acquisition or use of personal property and equipment (including equipment that is not treated as personal property under applicable state law) under the terms of installment purchase contracts, loans secured by purchase money mortgages or security interests in the financed property, lease purchase agreements or capital leases of the financed property; and

(j) any assignment, pledge, transfer, mortgage, lien, hypothecation, financing, lease or security interest in the initial furnishings, equipment and related items under the Facilities Lease as may be required to permit the financing of such furnishings, equipment and related items.

In addition, encumbrances in existence as of the date of issuance of the Series 2013 Bonds as set forth in Exhibit B hereof are hereby qualified as Permitted Encumbrances. Any such existing encumbrance may not be extended, renewed or modified in any way or applied to any additional Properties of the Corporation unless it would otherwise qualify as a Permitted Encumbrance.

“*Principal Account*” means the Principal Account within the Series 2013 Debt Service Fund created pursuant to Section 4.1 of the Supplemental Indenture.

“*Properties*” shall mean any and all rights, title and interests in and to any and all of the Corporation’s property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or hereafter acquired, including its rights and interest in the Property. The term “*Properties*,” without intending to limit the generality of the foregoing, as of any particular time, shall include all buildings, structures, fixtures, furnishings, equipment and other property, movable and immovable, and all franchises, land, rights-of-way, privileges, servitudes, easements, licenses, rights and any other interests in immovable property owned, leased, subleased or otherwise acquired by the Corporation and used or useful in connection with or incident to such facilities, or used or useful by the Corporation in connection with or incident to its authorized purposes.

“*Property*” means the immovable property more particularly described in Exhibit A attached to the Ground Lease and all improvements now or thereafter located thereon, including the Facilities, together with all other rights and interest leased pursuant to Section 1.1 thereof.

“*Refunded Bonds*” means the Series 2004A Bonds.

“*Refunding Act*” means Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456).

“*Release*” shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing or dispersing into the indoor or outdoor environment or into or out of the Properties, including, but not limited to, the movement of Contaminants through or in the air, soil, surface water, groundwater or the Properties and the abandonment or discard or barrels, containers, and other open or closes receptacles containing any Contaminant.

“*Remedial Action*” shall mean actions related to (i) cleaning up, removing, treating or in any other way addressing Contaminants in the indoor or outdoor environment; (ii) preventing or minimizing the Release or threat of Release of Contaminants so that Contaminants do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; and (iii) collecting

environmental data or performing pre-remedial studies and investigations and performing operations and maintenance and post-remedial monitoring and care.

“*Requirement of Law*” shall mean any federal, state or local statute, ordinance, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, any common law doctrine or theory, and any provision or condition of any Permit or other binding determination of any Governmental Corporation.

“*Revenues*” means the Base Rental.

“*Series 2004 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

“*Series 2004 Bonds*” means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

“*Series 2004 Debt Service Reserve Fund*” shall mean the Debt Service Reserve Fund held by the Trustee pursuant to the Original Indenture.

“*Series 2004A Bonds*” means the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A.

“*Series 2004B Bonds*” means the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B.

“*Series 2013 Bond Proceeds Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Bonds*” means the \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013, and such bonds issued in exchange for those issued pursuant to the Supplemental Indenture, or in replacement for those issued pursuant to the Supplemental Indenture, which bonds have been mutilated, destroyed, lost or stolen.

“*Series 2013 Debt Service Fund*” means the fund of that name created under Section 4.1 of the Supplemental Indenture.

“*Short Term Debt*” means indebtedness with a term of one year or less, but not including accounts payable by the Corporation in the ordinary course of its operations.

“*State*” means the State of Louisiana.

“*Supplemental Indenture*” means the First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

“*Supplemental Loan Agreement*” this First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

“*Tax Regulatory Agreement*” means the Tax Regulatory Agreement and Arbitrage Certificate dated as of the Closing Date by and among the Authority, the Corporation, the Board and the Trustee.

“*Trust Estate*” means all the property assigned by the Authority to the Trustee pursuant to the Indenture as security for the Bonds.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under the Supplemental Indenture that may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture, initially, The Bank of New York Mellon Trust Company, N.A.

Section 1.2 Rules of Construction.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, the word “person” shall include the plural as well as the singular number, and “person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

(c) Provisions calling for the redemption of Series 2013 Bonds or the calling of Series 2013 Bonds for redemption do not mean or include the payment of Series 2013 Bonds at their stated maturity or maturities.

(d) All references in this Supplemental Loan Agreement to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this Supplemental Loan Agreement. The words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Supplemental Loan Agreement as a whole and not to any particular Article, Section or other subdivision.

ARTICLE II
REPRESENTATIONS

Section 2.1 Representations by the Authority. The Authority represents and warrants as follows:

(a) The Authority is a political subdivision of the State.

(b) Under the provisions of the Act, the Authority is duly authorized to enter into, execute and deliver the Bond Documents, to undertake the transactions contemplated by the Bond Documents and to carry out its obligations hereunder and the Authority has duly authorized the execution and delivery of the Bond Documents and the Series 2013 Bonds.

(c) The Authority agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

Section 2.2 Representations of the Corporation. The Corporation makes the following representations and warranties:

(a) The Corporation is a non-profit corporation duly organized and existing in good standing under the laws of the State for the benefit of the University, is duly qualified to do business and is duly authorized and licensed to operate all of the Properties, has power to execute and deliver the Board Documents, this Supplemental Loan Agreement and the Tax Regulatory Agreement and by proper action has been duly authorized to execute and deliver the Board Documents, this Supplemental Loan Agreement and the Tax Regulatory Agreement.

(b) Each of the statements made with respect to the Corporation in the recitals of this Supplemental Loan Agreement is true, correct and complete.

(c) The Corporation is not in breach of or in default under any of the provisions of: (A) the Articles of Incorporation of the Corporation, as amended, or By-laws, as amended; (B) any judgment, decree, order, statute, rule or regulation applicable to it or to its Properties; or (C) any material provision of any material indenture, mortgage, loan agreement, financing agreement or other contract or instrument to which it is a party or by which it or any of its Properties are bound.

(d) The Corporation is not required in connection with the transactions contemplated by the Board Documents and this Supplemental Loan Agreement to obtain any consent not already obtained.

(e) The Corporation has or timely will obtain as required all authority, permits, licenses, consents and authorizations as are necessary to own, lease and operate its Properties and to carry on its business and to carry out and consummate all the transactions contemplated by the Board Documents and this Supplemental Loan Agreement.

(f) This Supplemental Loan Agreement, the Ground Lease, the Facilities Lease, and the Mortgage are legal, valid and binding obligations of the Corporation and enforceable against the Corporation in accordance with their terms, and the authorization, execution and delivery hereof and thereof and compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under: (i) any provision of any indenture, mortgage, deed of trust, loan agreement or other contract or instrument to which the Corporation is a party or by which it or any of its Properties are bound; (ii) any order, injunction or decree of any court or governmental authority; or (iii) the provisions of its charter, as amended, or by-laws, as amended.

(g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the validity or enforceability of the Board Documents or this Supplemental Loan Agreement or any other agreement or instrument to which the Corporation is a party used in consummation of the transactions contemplated hereunder.

Section 2.3 Environmental Representations.

(a) The Corporation has taken all steps necessary to determine and has determined that no Contaminants have been disposed of on the Property in any material manner and that there has been no Release of any Contaminant on, from, under or to the Property other than in compliance with applicable law.

(b) The operations or other activities of the Corporation will not result in the disposal or other Release of any Contaminant on or from the Facilities other than in all cases in compliance with applicable law.

(c) The Corporation has not received any notice or claim or information to the effect that it is or may be liable to any Person as a result of the Release or threatened Release of a Contaminant into the environment in violation of applicable law.

(d) No Environmental Lien has attached to the Property.

(e) The operations or other activities of the Corporation shall not result in the disposal or other Release of any Contaminant on or from the Facilities other than in compliance with all current and future applicable environmental laws and the Corporation shall not engage in any activities that will result in the violation of any current or future environmental laws. The Corporation shall obtain from time to time all permits required under any current or future environmental laws so that the operations of the Corporation will be in accordance with such laws.

(f) The Corporation will make available for inspection from time to time all documents and information in its possession and control regarding activities and conditions relating to the Facilities and other assets which may result in noncompliance with, or liability under, any Requirement of Law.

(g) The Corporation shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Facilities other than in accordance with all applicable Environmental Regulations, shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom other than in accordance with all applicable Environmental Regulations, shall not install or permit to be installed any underground storage tank therein or thereunder other than in accordance with all applicable Environmental Regulations, and shall comply with all Environmental Regulations which are applicable to the Facilities. The Corporation shall indemnify the Trustee and the Authority and shall hold the Trustee and the Authority harmless from, and shall reimburse the Trustee and the Authority for, any and all claims, demands, judgments, penalties, liabilities, costs, damages and expenses, including court costs and attorneys' fees directly or indirectly incurred by the Trustee or the Authority and the payee and holder of any Series 2013 Bond (prior to trial, at trial and on appeal) in any action against or involving the Trustee or the Authority, resulting from any breach of the foregoing covenants, or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from, the Facilities, whether or not the Corporation is responsible therefor, it being the intent of the Corporation that the Trustee and the Authority shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or other with respect to, Hazardous Substances by virtue of their interests, if any, in the Facilities created by the Indenture, and this Supplemental Loan Agreement or otherwise, or hereafter created, or as the result of the Trustee or the Authority or exercising any instrument, including but not limited to becoming the owner thereof by foreclosure or conveyance in lieu of foreclosure. The foregoing representations, warranties and covenants shall be deemed continuing covenants, representations and warranties for the benefit of the Trustee and the Authority and any successors and assigns thereof, including but not limited to any transferee of the title of the Trustee and any subsequent owner of the Facilities, and shall survive the satisfaction and release of the Indenture, and this Supplemental Loan Agreement, or under any other instrument, and/or any acquisition of title to the Facilities or any part thereof by the Trustee or the Authority by deed in lieu of foreclosure or otherwise. Any amount covered by the foregoing indemnification shall bear interest from the date incurred at a rate of 1.0% above the highest rate of interest borne by any Series 2013 Bond during the 365 days prior to the date on which such indemnification obligation was incurred, or, if less, the maximum rate permitted by law, and shall be payable on demand.

ARTICLE III
TERM, NATURE AND BENEFITS OF SUPPLEMENTAL LOAN AGREEMENT;
CONSTRUCTION OF FACILITIES

Section 3.1 Term. The term of this Supplemental Loan Agreement shall commence on the Closing Date for the Series 2013 Bonds, and shall terminate (unless discharged upon prepayment of all sums due hereunder by the Corporation prior thereto as hereinafter provided) on the date on which the Series 2013 Bonds and all other sums secured hereunder shall have been paid or provision for their payment shall have been made in accordance herewith. Notwithstanding the foregoing, the indemnification provisions of this Supplemental Loan Agreement shall survive the termination thereof and the defeasance of the Series 2013 Bonds under the Supplemental Indenture.

Section 3.2 Nature and Benefits.

(a) This Supplemental Loan Agreement has been executed and delivered in part to induce concurrently herewith the purchase by others of the Series 2013 Bonds, and, accordingly, all covenants and agreements on the part of the Corporation and the Authority, as set forth therein and herein, are hereby declared to be for the benefit of the Trustee for the owners from time to time of the Series 2013 Bonds. The Corporation consents and agrees to the assignment by the Authority to the Trustee under the Indenture of all of the Authority's right, title and interest (except for certain rights relating to exculpation, indemnification and payment of expenses) in, to and under this Supplemental Loan Agreement, including the interest of the Authority in and to the Facilities Lease assigned by the Corporation to the Authority hereunder, and agrees that the provisions hereof may be enforced by the Trustee under the provisions of the Supplemental Indenture. The Corporation agrees to do all things within its power in order to comply with, and to enable the Authority to comply with, all requirements and to fulfill, and to enable the Authority to fulfill, all covenants of the Supplemental Indenture and the Series 2013 Bonds.

(b) This Supplemental Loan Agreement is a limited obligation of the Corporation, payable solely from the Revenues, and this Supplemental Loan Agreement shall remain in full force and effect until the Series 2013 Bonds and the interest therein have been fully paid or otherwise provided for or discharged.

Section 3.3 Revision of Facilities Documents.

(a) The Corporation may revise the Ground Lease, the Facilities Lease and the Mortgage (collectively, the "*Facilities Documents*") and the description of the Facilities in Exhibit A hereto from time to time (including, without limitation, the deletion or revision of any of the facilities included in the Facilities and/or the substitution therefor of other facilities) in accordance with the Ground Lease without the consent of the Authority, the Trustee or the holders of the Bonds but, with the consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding); provided, however, that no such revision shall impair the exclusion from gross income of interest on the Bonds for Federal income tax purposes. In the case of any change that would render materially inaccurate the description of the Facilities in Exhibit A hereto, there shall be delivered to the Trustee and the Authority a revised Exhibit A containing a description of the Facilities that reflects the change in the Facilities Documents, the accuracy of which shall have been certified by an Authorized Corporation Representative.

(b) Prior to effecting any change in or revision of the Facilities Documents, the Corporation shall deliver to the Authority evidence of all governmental or regulatory approvals required therefor.

Section 3.4 No Warranty of Condition or Suitability. The Corporation acknowledges its full familiarity with the Facilities and that the Authority has no responsibility for the Facilities Documents. The Authority makes no representation or warranty, either express or implied, and offers no assurance that the proceeds of the Bonds will be sufficient to pay in full the Costs of the Facilities in accordance with the Facilities Documents.

ARTICLE IV
DISBURSEMENT OF SERIES 2013 BOND PROCEEDS; PAYMENTS;
CREDITS; OBLIGATIONS UNCONDITIONAL; PREPAYMENT

Section 4.1 Disbursement of Series 2013 Bond Proceeds. In order to provide funds to refund the Refunded Bonds, the Authority, as soon as practicable after the execution of this Supplemental Loan Agreement will proceed to issue, sell and deliver the Series 2013 Bonds to the purchasers thereof and will deposit the proceeds thereof as provided by Section 4.2 of the Supplemental Indenture with the Trustee for disbursement in accordance with the provisions of the Supplemental Indenture.

Section 4.2 Amounts Payable.

(a) Upon the terms and conditions of this Supplemental Loan Agreement, the Authority shall lend to the Corporation the proceeds of the sale of the Series 2013 Bonds. The proceeds of the Loan shall be deposited with the Trustee and applied in accordance with the Supplemental Indenture.

(b) The Corporation, for and in consideration of the issuance of the Series 2013 Bonds under the Supplemental Indenture by the Authority and the application of the proceeds thereof by the Authority as provided in the Supplemental Indenture for the benefit of the Corporation, hereby promises to repay the Loan, but solely from the Base Rental, by making the following payments (collectively called the “*Payments*”) to or for the account of the Authority in an amount sufficient for the payment in full of all Series 2004B Bonds and Series 2013 Bonds from time to time issued under the Indenture and then outstanding, including (i) the total interest becoming due and payable on the Series 2004B Bonds and the Series 2013 Bonds to the date of payment thereof, and (ii) the total principal amount of and premium, if any, on the Series 2004B Bonds and the Series 2013 Bonds. The Payments with respect to the Series 2013 Bonds shall be payable directly to the Trustee for the account of the Authority in installments as follows:

(i) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2013 Bonds on February 1, 2014, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2013 Debt Service Fund will be sufficient to pay interest on such Series 2013 Bonds on such Interest Payment Date and thereafter, on the 25th day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest amount of the Series 2013 Bonds payable on the next Interest Payment Date;

(ii) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-ninth (1/9th) of the principal of the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the 25th day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal amount of the Series 2013 Bonds payable on the next Principal Payment Date; and

(iii) On the dates required in the Indenture, into any of the funds established in the Indenture, including, without limitation, the Series 2013 Debt Service Reserve Fund and the

Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture.

(c) Each installment of the Payments payable by the Corporation hereunder shall be in an amount which, without regard to the payments required under Section 4.02(b)(iii) above, but including moneys in the Series 2013 Debt Service Fund then available, shall be designed to provide for the timely payment in full of the principal of, premium, if any, and interest on the Series 2013 Bonds.

(d) Notwithstanding anything to the contrary contained herein, the Corporation promises that it will pay the Payments from the Base Rental, at such times and in such amounts as to assure that no default in the payment of the principal of, premium, if any, or interest on the Series 2013 Bonds shall at any time occur.

(e) Whenever the Corporation shall fail to pay the full amount of any installment of Payments payable under Sections 4.2(b)(i) through 4.2(b)(iii) above by the day of the month in which such installment is due, the Trustee shall give immediate telephonic notice thereof, promptly confirmed in writing, to an Authorized Corporation Representative.

(f) The Corporation shall also cause the Board to promptly pay when due under the Facilities Lease all amounts of Additional Rental owed by the Board thereunder, including, but not limited to, all Default or Delay Rentals and Administrative Expenses (each as defined in the Facilities Lease) owed to the Corporation, the Issuer and/or the Trustee thereunder. Each installment of the Payments payable by the Corporation hereunder shall be in an amount which, without regard to the payments required under Section 4.2 (b)(iv) above, but including moneys in the Series 2013 Debt Service Fund then available, shall be designed to provide for the timely payment in full of the principal of, premium, if any, and interest on the Series 2013 Bonds.

Section 4.3 Credits Against Payments. A credit against and reduction of the Payments shall be derived only from the following sources:

- (a) Accrued interest, if any, derived from the sale of the Series 2013 Bonds;
- (b) Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement; and
- (c) Surplus moneys (including investment earnings) contained in the Funds and Accounts held by the Trustee under the Supplemental Indenture, including the Series 2013 Debt Service Fund.

Section 4.4 Obligation to Make Payments. The obligation of the Corporation to repay the Loan by making the Payments from the Base Rental shall be absolute and unconditional and shall not be subject to, nor shall the Corporation be entitled to assert, any rights of abatement, deduction, reduction, deferment, recoupment, setoff, offset or counterclaim by the Corporation or any other person, nor shall the same be abated, abrogated, waived, diminished, postponed, delayed or otherwise modified under or by reason of any circumstance or occurrence that may arise or take place, irrespective of what statutory rights the Corporation may have to the contrary, including but without limiting the generality of the foregoing:

- (a) Any damage to or destruction of part or all of the Facilities;

(b) The taking or damaging of part or all of the Facilities or any temporary or partial use thereof by any public authority or agency in the exercise of the power of eminent domain, sequestration or otherwise;

(c) Any assignment, novation, merger, consolidation, transfer of assets, leasing or other similar transaction of, by or affecting the Corporation, except as otherwise provided in this Supplemental Loan Agreement;

(d) Any change in the tax or other laws of the United States, the State or any governmental authority;

(e) The termination of the Ground Lease or the Facilities Lease, any failure of title or any lawful or unlawful prohibition of the Corporation's use of the Facilities or any portion thereof or the interference with such use by any person or any commercial frustration of purpose or loss or revocation of any permits, licenses or other authorizations required for the operation of the Facilities; and

(f) Any failure of the Authority or the Trustee to perform and observe any agreement or covenant, expressed or implied, or any duty, liability or obligation arising out of or in connection with this Supplemental Loan Agreement, the invalidity, unenforceability or disaffirmance of any of this Supplemental Loan Agreement, the Supplemental Indenture or the Series 2013 Bonds or for any other cause similar or dissimilar to the foregoing.

(g) Furthermore, the Corporation covenants and agrees that it will remain obligated under this Supplemental Loan Agreement in accordance with its terms, and that it will not take or participate or acquiesce in any action to terminate, rescind or avoid this Supplemental Loan Agreement.

Section 4.5 Prepayment of Payments.

(a) The Corporation is obligated to prepay the Payments, in whole or in part, on any date on which the Series 2013 Bonds are subject to optional redemption pursuant to the Supplemental Indenture, including, without limitation, Section 3.4(a) thereof.

(b) The option to redeem the Series 2013 Bonds under Section 3.4(a) of the Supplemental Indenture can be exercised only upon written direction of the Corporation to the Authority as long as the Facilities Lease is outstanding. To exercise such option, the Corporation shall give written notice to the Authority and the Trustee and shall specify therein the date of such prepayment, which prepayment date shall be not fewer than thirty (30) days from the date such notice is received by the Trustee. The Authority and the Trustee shall make all necessary arrangements satisfactory to the Trustee for the redemption of Series 2013 Bonds to be redeemed under the Supplemental Indenture in accordance with the provisions thereof.

(c) The prepayment price payable by the Corporation, in the event of its exercise of the option granted in the Supplemental Indenture, or in the case of its obligation to prepay the Payments shall be the sum of the following:

(d) An amount of money that, when added to the moneys and investments held by the Trustee pursuant to the provisions of the Supplemental Indenture and available for such redemption, is sufficient to pay and discharge the Series 2013 Bonds to be redeemed (including the total principal amount of such Series 2013 Bonds and interest to accrue thereon to the date fixed for redemption of such Series

2013 Bonds to be redeemed, plus a premium equal to the amount of premium required to be paid in connection with the redemption of such Series 2013 Bonds) on the date fixed for redemption; plus

(e) An amount of money equal to the fees and expenses of the Trustee and the Authority accrued and to accrue through such redemption.

ARTICLE V NON-ARBITRAGE

Section 5.1 Covenants as to Arbitrage.

(a) The Corporation hereby agrees to prepare and provide instructions to the Trustee as to the investment and reinvestment of moneys held as part of any fund or account relating to the Series 2013 Bonds. Any such moneys so held as part of any fund or account shall be invested or reinvested by the Trustee in Permitted Investments as specified in Section 4.9 of the Supplemental Indenture. The Corporation hereby covenants that it will comply with the terms of the Tax Regulatory Agreement and that it will make such use of the proceeds of the Series 2013 Bonds and all other funds held by the Trustee under the Supplemental Indenture, regulate the investment of such proceeds and other funds and take such other and further action as may be required so that the Series 2013 Bonds will not constitute arbitrage bonds under Section 148 of the Code and the regulations promulgated thereunder. The Corporation agrees that it will comply with the terms of any letter of instructions provided to it by nationally recognized bond counsel relating to compliance with the provisions of Section 148 of the Code.

(b) If the Corporation determines that it is necessary to restrict or limit the yield on the investment of any money paid to or held by the Trustee hereunder or under the Supplemental Indenture in order to avoid classification of the Series 2013 Bonds as arbitrage bonds within the meaning of the Code, the Corporation may issue to the Trustee an instrument to such effect (along with appropriate written instructions), in which event the Trustee will take such action as is necessary to restrict or limit the yield on such moneys in accordance with such instrument and instructions.

ARTICLE VI CERTAIN COVENANTS OF THE CORPORATION

Section 6.1 General Covenants of Corporation. The Corporation further expressly represents, covenants and agrees:

(a) To comply with the terms, covenants and provisions expressed or implied, of all contracts pertaining to, affecting or involving the Facilities or the business of the Corporation, the violation or breach of which would materially and adversely affect the ability of the Corporation to fulfill its obligations hereunder;

(b) Whenever and so often as requested so to do by the Trustee or the Authority, promptly to execute and deliver or cause to be executed and delivered all such other and further instruments and documents, and to promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Authority, the Trustee and the owners of the Series 2013 Bonds all rights, interests, powers, benefits, privileges and advantages conferred upon them by this Supplemental Loan Agreement and the Supplemental Indenture;

(c) Promptly, upon the request of the Authority or the Trustee from time to time, to take such action as may be necessary or proper to remedy or cure any material defect in or cloud upon its

interest in the Facilities or any part thereof, whether now existing or hereafter developing, to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Authority and the Trustee harmless from all loss, cost, damage and expense, including attorney's fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceeding;

(d) To defend against every suit, action or proceeding at any time brought against the Authority or the Trustee based on any claim arising out of the receipt, application or disbursement of any of the Trust Estate or involving the Authority's or the Trustee's rights or obligations under this Supplemental Loan Agreement or under the Supplemental Indenture (except in the case of the Authority's or the Trustee's negligence or willful misconduct), to indemnify and hold harmless the Trustee and each officer, employee, agent, or other representative of the Trustee against claims arising out of the Trustee's responsibilities under this Supplemental Loan Agreement, the Indenture or any other document entered into by the Trustee in connection with the Bonds (except in the case of the Trustee's negligence or willful misconduct), to indemnify and hold harmless the Authority and any officer, employee, agent, servant or trustee of the Authority against claims during the term of this Supplemental Loan Agreement that may be occasioned by any cause (other than the negligence or willful misconduct of the Authority, its officers, employees, agents, servants and trustees) pertaining to the construction, use, possession, operation, service, design or management or leasing or subleasing of the Facilities and any liabilities or losses resulting from violations by the Corporation of conditions, agreements and requirements of law affecting the Facilities or the ownership, occupancy or use thereof or arising from any defect in or from the operation of the Facilities, and to protect and insulate the Authority and the members of its Board of Trustees individually from any and all financial responsibility or liability whatsoever with respect to the Facilities;

(e) At all times to maintain the Corporation's rights to carry on the business of the Corporation and to duly procure all licenses and other authorizations required for the carrying on of its business and to provide all renewals and replacements and improvements to, and extensions of, the Facilities and to diligently maintain, preserve and renew all the rights, powers, privileges, approvals, licenses and franchises required for the carrying on of its business;

(f) To fulfill its obligations and to perform punctually its duties and obligations under this Supplemental Loan Agreement and to otherwise carry on its business in accordance with the terms hereof to assure the continued proper operation, management, repair and maintenance of the Facilities;

(g) To cause compliance with all material provisions of applicable Federal, State and local laws;

(h) To pay, discharge, indemnify and save the Authority and the Trustee, except in the case of their negligence or willful misconduct, and their respective officers, agents, employees, servants and trustees harmless of, from and against any and all costs, claims, damages, expenses, liabilities, liens, obligations, penalties and taxes of every character and nature, by or on behalf of any person, firm, corporation, entity or governmental authority regardless of by whom advanced, asserted, held, imposed or made, which may be imposed upon, incurred by or asserted against the Authority and the Trustee and their respective officers, agents, employees, servants and trustees arising out of, resulting from or in any way connected with this Supplemental Loan Agreement, the Series 2013 Bonds or the Supplemental Indenture excepting willful misconduct and negligence on the part of the Authority or the Trustee or their respective officers, agents, employees, servants and trustees. The Corporation also covenants and agrees, at its expense, to pay and to indemnify and to save the foregoing harmless of, from

and against, all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand; and

(i) That it is an exempt organization under Section 501(c)(3) of the Code organized and operated exclusively for religious, charitable, scientific and educational purposes, and it shall not perform any act or enter into any agreement that shall adversely affect its ability to obtain such status as set forth in this Section.

Section 6.2 Covenants Regarding Operation and Maintenance by the Corporation of its Properties. The Corporation acknowledges and agrees that it shall pay during the term hereof all Payments and other sums required hereunder and shall cause the Board to pay, as Additional Rental under the Facilities Lease, all Operation and Maintenance Expenses. The Corporation also expressly covenants and agrees:

(a) That it shall cause the Board or the University to maintain or cause to be maintained the Facilities, and each and every portion thereof, including all additions and improvements and all facilities adjoining and/or appurtenant thereto, in good operating order and condition, reasonable and ordinary wear and tear alone excepted, and make all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, and otherwise to make all replacements, alterations, improvements and modifications to the Facilities necessary to ensure that the same at all times shall be suitable for the efficient operation thereof for the purpose intended;

(b) That the Authority, the Trustee and their agents shall have the right to inspect the Facilities at any reasonable time in a manner that will not interfere unreasonably with the Corporation's use thereof; however, any right of access to any portion of the Facilities leased to the students, faculty, staff and Permitted Sublessees, as defined in the Facilities Lease, shall be subject to their rights pursuant to the rental agreement and University policy;

(c) That it shall cause the Board to pay, as Additional Rental under the Facilities Lease, as the same respectively become due, all taxes and assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Facilities. The Corporation shall not allow any part of the Facilities to become and remain subjected to any mechanics', laborer's or materialmen's liens of record. Notwithstanding the foregoing, the Corporation may, at its own expense and in its own name, contest any such item of tax, assessment, liens or other governmental charge and, in the event of such contest, may permit the item so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority or the Trustee shall notify the Corporation that, in the opinion of nationally recognized bond counsel by nonpayment of any such items the security afforded the Series 2013 Bonds pursuant to the terms of the Supplemental Indenture or Supplemental Loan Agreement will be materially endangered, in which event such taxes, assessments or charges shall be paid forthwith. The Authority will cooperate to the extent reasonably necessary with the Corporation in any such claim, defense or contest. In the event the Corporation fails to do so, the Authority or the Trustee may, but shall be under no obligation to, pay any such item and any amounts so advanced therefor by the Authority or the Trustee shall become an additional obligation of the Corporation to the one making the advancement, which amount the Corporation agrees to pay together with interest thereon at the rate of the Trustee's prime lending rate, but solely from the Revenues;

(d) That it shall comply promptly with all material provisions of present and future laws, ordinances, orders, rules, regulations and requirements of every duly constituted governmental authority or agency and all material orders, rules and regulations of any regulatory, licensing, insurance

underwriting or rating organization or other body exercising similar functions. The Corporation shall likewise perform and comply with all duties and obligations of any kind imposed by law, covenant, condition, agreement or easement and the requirements of all policies of insurance at any time in force with respect to the Facilities;

(e) That it shall not use or allow the Facilities to be used or occupied for any unlawful purpose or in violation of any private covenant, restriction, condition, easement or agreement covering or affecting the use of the Facilities. The Corporation likewise shall not suffer any act to be done or any condition to exist in the Facilities or any article to be brought therein or thereon which may be dangerous, unless safeguarded as required by law, or which, under law, constitutes a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto; and

(f) That it shall take all action, if any, that may be required to obtain such consents, exceptions, exemptions or approvals of governmental authorities as may be necessary to permit it to comply fully with all covenants, stipulations, obligations and agreements of the Corporation contained in this Supplemental Loan Agreement.

Section 6.3 Covenant as to Encumbrances. The Corporation covenants that, so long as any of the Series 2013 Bonds remain outstanding, it shall not hereafter alienate and shall not hereafter create or suffer to be created any assignment, pledge, mortgage, hypothecation or lien on the Facilities, the Property, the Facilities Lease or any Base Rental under any circumstances, except for Permitted Encumbrances.

Section 6.4 Covenants, Representations and Warranties Relating to Federal Income Taxation.

(a) The Corporation covenants that it shall make such use of the proceeds of the Series 2013 Bonds, regulate investment of proceeds thereof and take such other and further actions as may be required by the Code and applicable temporary, proposed and final Regulations and procedures, necessary to assure that interest on the Series 2013 Bonds is excludable from gross income for Federal income tax purposes. Without limiting the generality of the foregoing covenant, the Corporation hereby covenants, represents and warrants, as follows:

(i) The Corporation will not take, fail to take or permit the commission of any action within its control necessary to be taken in order that interest on the Series 2013 Bonds will continue to be excludable from gross income for Federal income tax purposes;

(ii) The Corporation will preserve its status as an organization described in Section 501(c)(3) of the Code or corresponding provisions of prior law and to not be determined to be a private foundation as defined in Section 509 of said Code; the Corporation shall not perform any act or enter into any agreement which shall adversely affect its ability to obtain such federal income tax status; the Corporation shall not perform any act, enter into any agreement or use or permit any property of the Corporation to be used in any manner (including any unrelated trade or business) that could adversely affect the exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes pursuant to Section 103 of the Code; the Corporation shall not carry on or permit to be carried on in any property of the Corporation or permit any property of the Corporation to be used in or for any trade or business to the extent that such use of such property would adversely affect the exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes; and the Corporation is duly organized and existing as a non-profit corporation under the laws of the State and it will maintain, extend and renew its corporate existence under the laws of the State and will not do, suffer or permit any

act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted;

(iii) The Corporation will timely file a statement with the United States of America setting forth the information required pursuant to Section 149(e) of the Code;

(iv) The average term of the Series 2013 Bonds, calculated in proportion to the “issue price” (as defined in Section 1273 of the Code) of the bonds of each stated maturity of such Bonds, will not exceed 120% of the average reasonably expected economic life of the Facilities financed with the proceeds of the Series 2004 Bonds or the investment earnings thereon, weighted in proportion to the respective cost of each item comprising the Facilities financed with the proceeds of such Series 2004 Bonds. For purposes of the preceding sentence, the reasonably expected economic life of property shall be determined as of the later of (i) the date on which the Series 2004 Bonds were issued or (ii) the date on which such property was placed in service (or expected to be placed in service);

(v) The Corporation will not cause the Series 2013 Bonds to be treated as “federally guaranteed” obligations within the meaning of Section 149(b) of the Code (as may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to “federally guaranteed” obligations described in Section 149(b) of the Code);

(vi) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Series 2013 Bonds are delivered, the Corporation reasonably expects that the proceeds of the Series 2013 Bonds will not be used in a manner that would cause the Series 2013 Bonds or any portion thereof to be an “arbitrage bond” within the meaning of Section 148 of the Code;

(vii) As provided in Article V hereof, the Corporation will monitor the yield on the investment of the proceeds of the Series 2013 Bonds and moneys pledged to the repayment of the Series 2013 Bonds, other than amounts not subject to yield restriction and will restrict the yield on such investments to the extent required by the Code or the Regulations;

(viii) The Corporation (or any “related person”, within the meaning of the Code) shall not, pursuant to an arrangement, formal or informal, purchase the Series 2013 Bonds in an amount related to the principal amounts advanced to the Corporation pursuant to this Supplemental Loan Agreement; and

(ix) The Corporation agrees to comply with all the terms and provisions of the Tax Regulatory Agreement executed in connection with the issuance and sale of the Series 2013 Bonds, and to perform the covenants and duties imposed on it contained therein.

(b) All officers, employees and agents of the Corporation are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Corporation as of the date the Series 2013 Bonds are delivered. In complying with the foregoing covenants, the Corporation may rely from time to time upon an opinion issued by nationally-recognized bond counsel to the effect that any action by the Corporation or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Series 2013 Bonds to be includable in gross income for Federal income tax purposes under existing law.

Section 6.5 Information. The Corporation agrees, whenever reasonably requested by the Authority or the Trustee, to provide access to inspect, examine and make copies of any and all books,

accounts and records of the Corporation and to provide and certify or cause to be provided and certified such information concerning the Properties, the Facilities, the Corporation, its finances, and other topics as the Authority or Trustee, as the case may be, considers necessary to enable counsel to the Authority or the Trustee, as the case may be, to issue its opinions and otherwise advise the Authority or the Trustee, as the case may be, as to the transaction or the legal capacity of the parties to enter into the same, or to enable it to make any reports required by law, governmental regulation or the Supplemental Indenture. When any such information is provided by the Corporation pursuant to this Section 6.5 the Corporation shall provide such information to both the Authority and the Trustee.

Section 6.6 Source of Payments. The Corporation agrees to pay or cause to be paid the payments required by this Supplemental Loan Agreement solely from the Base Rental in the manner and at the times provided by this Supplemental Loan Agreement.

Section 6.7 Insurance. The Corporation shall cause the Board to maintain insurance covering such risks and in such amounts as is required by Section 9 of the Facilities Lease. Insurance proceeds and condemnation awards shall be applied in accordance with the Indenture.

Section 6.8 Annual Reports.

(a) Annually, within one hundred eighty (180) days from the end of each Fiscal Year, the Corporation will have made a complete audit of its records and accounts by an independent certified public accountant. A signed counterpart of its audited financial statements shall be furnished to the Authority and the Trustee, and a copy thereof shall be furnished by the Corporation to any Bondholder who requests the same in writing.

(b) Any independent accountant that audits and reports on the Corporation's financial statements or provides any certificate, report or opinion under the Supplemental Indenture and the Supplemental Loan Agreement shall be one of the "big five" nationally recognized firms of independent certified public accountants (or their successors).

Section 6.9 Merger or Consolidation.

(a) The Corporation shall not merge into, or consolidate with, one or more corporations, or allow one or more of such corporations to merge into it, or sell or convey all or substantially all of its assets to any person or entity or acquire all or substantially all of the assets of any person or entity (any such merger, consolidation, sale, conveyance or acquisition being referred to as a "*Merger*"), unless:

(i) Any successor corporation to the Corporation (including, without limitation, any purchaser of all or substantially all the Properties of the Corporation (the "*Successor Corporation*")) is a corporation organized and existing under the laws of the United States of America or a state thereof and shall execute and deliver to the Trustee an appropriate instrument, satisfactory to the Authority and the Trustee, containing the agreement of such successor corporation to assume, jointly and severally and in solido, the due and punctual payment of the principal of, premium, if any, and interest on all obligations of the Corporation (including, without limitation, the Series 2013 Bonds) according to their tenor and the due and punctual performance and observance of all the covenants and conditions of the Indenture and this Supplemental Loan Agreement to be kept and performed by the Corporation, accompanied by an opinion of counsel as to the validity and enforceability of such assumption (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Authority and the Trustee);

(ii) Immediately after such Merger, there would not be a default in the performance or observance of any covenant or condition of the Board Documents and the Bond Documents; and

(iii) There shall be delivered to the Authority and the Trustee an opinion of Bond Counsel (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) to the effect that under existing laws the consummation of such Merger, whether or not contemplated on the original date of delivery of the Bonds, would not adversely affect the validity of the Series 2013 Bonds or the exclusion otherwise available from gross income of interest on the Series 2013 Bonds for federal or state income tax purposes.

(b) In case of any such Merger and upon any such assumption by the Successor Corporation, the Successor Corporation shall succeed to and be substituted for its predecessor, with the same effect as if it had been named in the Supplemental Indenture and this Supplemental Loan Agreement as the Corporation.

Section 6.10 Revenue Transfer to Trustee. The Corporation hereby covenants:

(a) Upon the occurrence of an Event of Default under the Supplemental Loan Agreement, all Revenues pledged as security for the obligations of the Authority and/or the Corporation under the Indenture or Loan Agreement then on hand shall be transferred immediately to the Trustee, and all such revenues received thereafter shall immediately, upon receipt, be transferred to the Trustee, and held for application pursuant to the Indenture or the Loan Agreement solely to the payment obligations of the Authority and/or the Corporation under the Indenture or Loan Agreement and the payment of reasonable and necessary costs of operation of the Facilities.

(b) To execute all necessary documents in order to effect a filing and reinscription of all necessary financing statements in such a manner as will preserve the effect of the financing statements from the date of original filing thereof.

Section 6.11 Disposition of Assets. The Corporation covenants that, so long as any of the Series 2013 Bonds remain outstanding, it shall not hereafter alienate and shall not hereafter create or suffer to be created, except for Permitted Liens, any assignment, pledge, hypothecation or lien on any Revenues or on the Facilities.

Section 6.12 Additional Corporation Representations.

(a) Each component of the Facilities is, or when acquired, will be located within the limits of the State of Louisiana.

(b) The Project is an “Authorized Project” under La. R.S. 33:4548.3(B) and the Corporation will operate the Project as an “Authorized Project” under La. R.S. 33:4548.3(B) for so long as the Bonds remains outstanding.

(c) All material information given by the Corporation to the Authority concerning the Project, the Corporation and the Board was and is on the date of execution of this Supplemental Loan Agreement true and correct.

Section 6.13 Continuing Disclosure. The Board has provided a Continuing Disclosure Certificate and will cause the Trustee to deliver copies to the Authority of any information that the terms

of the Continuing Disclosure Certificate require to be provided or filed within five (5) days of the provision or filing of such information as required by the Continuing Disclosure Certificate.

ARTICLE VII ASSIGNMENT

Section 7.1 Assignment of this Supplemental Loan Agreement.

(a) The rights of the Corporation under this Supplemental Loan Agreement may be assigned as a whole or in part but no such assignment shall constitute a release of the Corporation from its obligations hereunder.

(b) Each transferee of the Corporation's interest in this Supplemental Loan Agreement shall assume the obligations of the Corporation hereunder to the extent of the interest assigned, sold or leased, and the Corporation shall, not more than sixty (60) nor fewer than thirty (30) days prior to the effective date of any such assignment or lease, furnish or cause to be furnished to the Authority and the Trustee a true and complete copy of each such assignment or lease.

Section 7.2 Restrictions on Transfer of Authority's Rights. The Authority agrees that it will not during the term of this Supplemental Loan Agreement sell, assign, transfer or convey its interests in this Supplemental Loan Agreement except as provided in Section 7.3.

Section 7.3 Assignment by the Authority. It is understood, agreed and acknowledged that the Authority will assign to the Trustee pursuant to the Supplemental Indenture certain of its rights, title and interests in and to this Supplemental Loan Agreement (reserving its rights, however, pursuant to sections of this Supplemental Loan Agreement providing that notices, reports and other statements be given to the Authority and also reserving its rights to reimbursement and payment of costs and expenses under Section 9.5 hereof, its rights to indemnification under Section 6.1(d) hereof and its individual and corporate rights to exemption from liability under Section 10.12 hereof), including the interest of the Authority in and to the Facilities Lease assigned by the Corporation to the Authority hereunder, and the Corporation hereby assents to such assignment and pledge.

ARTICLE VIII SUPPLEMENTS AND AMENDMENTS

Section 8.1 Amendment to Loan Agreement Without Consent. The Authority and the Corporation, with the consent of the Trustee with respect to Sections 8.1(d) and 8.1(e) hereof, with the consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding) but without the consent of the owners of any of the Bonds Outstanding under the Indenture, may enter into supplements to the Loan Agreement that shall not be inconsistent with the terms and provisions hereof for any of the purposes heretofore specifically authorized in the Loan Agreement or the Indenture, and in addition thereto for the following purposes:

(a) To cure any ambiguity or formal defect, inconsistency or omission in the Loan Agreement or to clarify matters or questions arising hereunder;

(b) To add covenants and agreements for the purpose of further securing the obligations of the Corporation hereunder;

(c) To confirm as further assurance any mortgage or pledge of additional property, revenues, securities or funds;

(d) To conform the provisions of the Loan Agreement in connection with the provisions of any supplements or amendments to the Indenture entered into pursuant to the provisions of Section 10.1 thereof;

(e) To provide any other modifications which, in the sole judgment of the Trustee, are not prejudicial to the interests of the Bondholders; or

(f) to conform the covenants and provisions of the Corporation contained herein to any different financial statement presentation required by the Financial Accounting Standard Board that is different than the presentation required as of the date of issuance of the Bonds, so long as the effect of such conformed covenants and provisions is substantially identical to the effect of the covenants and provisions as in effect on the date of issuance of the Bonds.

Section 8.2 Amendment to Loan Agreement Upon Approval of a Majority of Bondholders.

(a) The provisions of the Loan Agreement may be amended in any particular with the consent of the owners of not less than a majority of the aggregate principal amount of Bonds then Outstanding and the written consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding); provided, however, that no such amendment may be adopted that decreases the percentage of owners of the Bonds required to approve an amendment, or that permits a change in the date of payment of the principal of or interest on any Bonds or of any redemption price thereof or the rate of interest thereon without the consent of the owners of all of the aggregate principal amount of the Bonds then Outstanding.

(b) If at any time the Authority and the Corporation shall request the Trustee to consent to a proposed amendment for any of the purposes of this Section 8.2, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such proposed amendment to be given in the manner required by the Indenture to redeem the Bonds. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period as shall be prescribed by the Authority following such notice, the owners of not less than a majority in aggregate principal amount of the Bonds outstanding at the time of the execution of any such proposed amendment shall have consented to and approved the execution thereof as herein provided, no owner of any Bonds shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Corporation or the Authority from executing or approving the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such proposed amendment as in this Section permitted and provided, the Loan Agreement shall be and be deemed to be modified and amended in accordance therewith.

Section 8.3 Amendments to Facilities Lease or the Ground Lease Not Requiring Owner Consent. Subject to the terms and provisions of Section 8.5 and 8.7 of this Supplemental Loan Agreement, with the written consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding), the Facilities Lease or the Ground Lease may be amended or modified in any manner not inconsistent with the terms and provisions of this Supplemental Loan Agreement, for any one or more of the following purposes: (1) to cure any ambiguity or formal defect or omission in the Facilities Lease or the Ground Lease that does not have an adverse effect upon the interest of the Owners; (2) to grant or confer upon the Authority or the Trustee, for the benefit of the Owners, any additional rights, remedies,

powers or authorities that lawfully may be granted to or conferred upon the Authority or the Trustee; (3) to more clearly identify the Facilities or to add to or subtract from the Facilities any property; (4) to amend or modify the Facilities Lease or the Ground Lease in any manner specifically required or permitted by the terms thereof, including as may be necessary to maintain the exclusion from gross income of interest on the Series 2013 Bonds for federal income tax purposes; (5) to make any amendment or modification required as a condition to obtaining any rating by Moody's or S&P with respect to the Series 2013 Bonds; and (6) to amend or modify the Facilities Lease or the Ground Lease in any other manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2013 Bonds (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding) or the Trustee and that does not involve a change described in Section 8.5 hereof.

Section 8.4 Amendments to the Facilities Lease or the Ground Lease Requiring Owner Consent. Exclusive of amendments and modifications covered by Section 8.3 hereof, the Facilities Lease or the Ground Lease may be amended or modified only as provided in Section 8.4 and 8.5 of this Supplemental Loan Agreement. Subject to the terms and provisions contained in Section 8.5 of this Supplemental Loan Agreement, the Authority and the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding), shall have the right, from time to time, anything contained in this Supplemental Loan Agreement to the contrary notwithstanding, to consent to and approve the amendment or modification of the Facilities Lease or the Ground Lease. If at any time there is a proposed amendment or modification to the Facilities Lease or the Ground Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such modification or amendment to be mailed to each of the owners of the Bonds at the address indicated on the registration books of the Trustee (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding). Such notice shall briefly set forth the nature of the proposed amendment or modification and shall state that copies thereof are on file at the principal office of the Trustee for inspection by owners of all Outstanding Bonds. If, within sixty (60) days, or such longer period as shall be prescribed by the Authority, following the mailing of such notice, the owners of the requisite percentage in aggregate principal amount of the Outstanding Bonds at the time of the execution of any such amendment or modification shall have consented to and approved the execution thereof as herein provided, no owner of any Outstanding Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof; or to enjoin or restrain the parties thereto from executing the same or from taking any action pursuant to the provisions hereof.

Section 8.5 Consent Required Under Certain Circumstances for Amendment of Facilities Lease or Ground Lease. Nothing contained in Sections 8.3 and 8.4 of this Supplemental Loan Agreement shall permit, or be construed as permitting, without the approval and consent of all of the owners of the Outstanding Bonds (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding), (a) a reduction in the amount of, or the extension of the time for, any payment of Base Rental due under the Facilities Lease or any amount due under the Bond Insurance Policy; or (b) the termination of the Facilities Lease or the Ground Lease prior to the expiration of their stated term, other than in accordance with the provisions thereof.

Section 8.6 Opinion Required for Amendment of Facilities Lease or Ground Lease. Anything to the contrary herein notwithstanding, no amendment or modification of the Facilities Lease or the Ground Lease shall become effective unless and until the Trustee has been provided with an opinion of Bond Counsel to the effect that such amendment or modification will not have an adverse effect upon the validity of the Series 2013 Bonds and to the effect that such amendment or modification will maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes.

Section 8.7 Consent of the Board. Anything herein to the contrary notwithstanding, an amendment to the Facilities Lease or the Ground Lease under this Article VIII shall not become effective unless and until the Board shall have consented to the execution and delivery of such amendment to the Facilities Lease or the Ground Lease, unless an Event of Default has occurred and is continuing, and no amendment to the Facilities Lease or the Ground Lease shall without the prior written consent of the Board affect the date or amounts of payments required on the Series 2013 Bonds or required under the Facilities Lease.

Section 8.8 Filing. Copies of any such supplement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease shall be filed with the Trustee and delivered to the Authority and the Corporation before such supplement or amendment may become effective.

Section 8.9 Reliance on Counsel. The Authority and the Trustee shall be entitled to receive, and shall be fully protected in relying upon the opinion of counsel satisfactory to the Trustee, who may be counsel for the Authority, as conclusive evidence that any such proposed supplement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease complies with the provisions of this Supplemental Loan Agreement and the Indenture and that it is proper for the Authority and the Trustee under the provisions of this Article to execute or approve such supplement or amendment.

Section 8.10 Notice to Rating Agencies. No supplemental agreement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease shall be executed and delivered pursuant hereto without prior written notice having been given by the Corporation to Standard & Poor's Ratings Group and Moody's of the Corporation's intention to execute such supplemental agreement or amendment thereof not fewer than fifteen (15) days in advance of the execution of said supplemental agreement or amendment. The Corporation shall provide the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding) a full transcript of all proceedings relative to said supplemental agreement or amendment.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Events of Default Defined. The terms "*Event of Default*" and "*Default*" under the Original Loan Agreement shall include any one or more of the following events:

(a) The Corporation shall default in the timely payment of any Payment pursuant to Article IV of this Supplemental Loan Agreement.

(b) An Event of Default shall exist under the Bond Documents, the Facilities Lease or the Tax Regulatory Agreement.

(c) The Corporation shall fail duly to perform, observe or comply with any other covenant, condition or agreement on its part under this Supplemental Loan Agreement (other than a failure to make any payment required under this Supplemental Loan Agreement), and such failure continues for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Corporation by the Trustee; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such thirty (30) day period, no Event of Default shall be deemed to have occurred or to exist if, and so long as the Corporation shall commence such performance, observation or compliance within such period and shall diligently and continuously prosecute the same to completion.

(d) The entry of a decree or order by a court having jurisdiction in the premises adjudging the Corporation a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Corporation under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The institution by the Corporation of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the United States Bankruptcy Code or any other similar applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

Section 9.2 Remedies. Whenever any Event of Default under the Original Loan Agreement shall have happened and be continuing, the Authority and the Trustee may take any of the remedial steps provided to such parties in the Original Loan Agreement and the Indenture; provided that, if all installments of Payments under the Original Loan Agreement are declared to be immediately due and payable, then all Payments due under Section 4.2 hereof shall also be immediately due and payable.

Section 9.3 No Remedy Exclusive; Selective Enforcement. No remedy conferred upon or reserved to the Authority or the Trustee by this Supplemental Loan Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Supplemental Loan Agreement and as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any event of nonperformance shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. In the event the Authority or the Trustee shall elect to selectively and successively enforce its rights under this Supplemental Loan Agreement, such action shall not be deemed a waiver or discharge of any other lien, encumbrance or security interest securing payment of the indebtedness secured hereby or thereby until such time that it shall have been paid in full all sums secured hereunder and thereunder. The foreclosure of any lien provided pursuant to this Supplemental Loan Agreement without the simultaneous foreclosure of all such liens shall not merge the liens granted which are not foreclosed with any interest which the Authority or the Trustee might obtain as a result of such selective and successive foreclosure.

Section 9.4 Indenture Overriding. All of the provisions of this Article are subject to and subordinate to the rights and remedies of the holders of the Bonds and the Trustee pursuant to the Indenture. The Authority shall have no power to waive any event of default hereunder, except with respect to indemnification and its administrative payments, without the consent of the Trustee to such waiver.

Section 9.5 Loan Agreement to Pay Attorneys' Fees and Expenses. In any Event of Default, if the Authority or the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Corporation herein contained, whether or not such suit is commenced, the Corporation

agrees that it will on demand therefor pay to the Authority or the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Authority or the Trustee.

Section 9.6 Authority and Corporation to Give Notice of Default. The Authority and the Corporation severally covenant that they will, at the expense of the Corporation, promptly give to the Trustee written notice of any Event of Default under this Supplemental Loan Agreement of which they shall have actual knowledge or written notice, but the Authority shall not be liable (except as provided in Section 6.1(d) hereof) for failing to give such notice.

Section 9.7 Correlative Waivers. If an Event of Default under Section 8.2 of the Indenture shall be cured or waived and any remedial action by the Trustee rescinded, any correlative Default under this Supplemental Loan Agreement shall be deemed to have been cured or waived.

ARTICLE X MISCELLANEOUS

Section 10.1 References to the Series 2013 Bonds Ineffective After Series 2013 Bonds Paid. Upon payment of the Series 2013 Bonds, all references in this Supplemental Loan Agreement to the Bondholders shall be ineffective and the Authority and any holder of the Series 2013 Bonds shall not thereafter have any rights hereunder, excepting those that shall have theretofore vested.

Section 10.2 Amounts Remaining in Funds. It is agreed by the parties hereto that any amounts remaining in the Funds and Accounts established under the Supplemental Indenture upon the expiration or sooner cancellation or termination of this Supplemental Loan Agreement, as provided herein, after payment in full of all Series 2013 Bonds then outstanding under the Indenture (or provisions for payment thereof having been made in accordance with the provisions of the Indenture), and the fees, charges and expenses of the Authority and the Trustee and all other amounts required to be paid hereunder and under the Indenture with respect to the Series 2013 Bonds (other than amounts payable as arbitrage rebate pursuant to the Code), shall belong to and be paid to the Corporation.

Section 10.3 Notices.

(a) All notices, demands and requests to be given or made hereunder to or by the Authority, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

If to the Authority:

Louisiana Local Government Environmental Facilities and
Community Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809
Attention: Executive Director

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: President

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

(b) Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The Corporation, the Authority and the Trustee may, by notice given hereunder, designate any further or different addresses, counsel or counsel addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 10.4 Binding Effect. This Supplemental Loan Agreement shall inure to the benefit and shall be binding upon the Authority, the Corporation and their respective successors and assigns, subject to the limitation that any obligation of the Authority created by or arising out of this Supplemental Loan Agreement shall not be a general debt of the Authority, but shall be payable solely out of the proceeds derived from this Supplemental Loan Agreement and the sale of the Series 2013 Bonds under the Indenture.

Section 10.5 Performance on Legal Holidays. In any case where the date of maturity of interest on or principal of the Series 2013 Bonds or the date fixed for redemption or purchase of any Series 2013 Bonds or the date fixed for the giving of notice or the taking of any action under the Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the giving of such notice or the taking of such action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

Section 10.6 Execution in Counterparts. This Supplemental Loan Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument; provided, however, that upon the assignment and pledge to the Trustee provided for in Section 3.2 hereof, the Authority shall deliver to the Trustee an executed counterpart of this Supplemental Loan Agreement which executed counterpart shall be deemed to be collateral of which the Trustee has taken possession and no other counterpart shall be deemed to be collateral for any other purpose.

Section 10.7 Applicable Law. This Supplemental Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 10.8 Severability. If any clause, provision or Section of this Supplemental Loan Agreement be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Supplemental Loan Agreement shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Supplemental Loan Agreement be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Authority or the Corporation, as the case may be, only to the extent permitted by law.

Section 10.9 Captions. The table of contents, captions or headings of the several articles and sections of this Supplemental Loan Agreement are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Supplemental Loan Agreement.

Section 10.10 Consents and Approvals. Whenever the consent or approval of the Authority, the Corporation or the Trustee shall be required under the provisions of this Supplemental Loan Agreement, such consent or approval shall not be unreasonably withheld or delayed.

Section 10.11 Third Party Beneficiaries. It is specifically agreed between the parties executing this Supplemental Loan Agreement that it is not intended by any of the provisions of any part of this Supplemental Loan Agreement to make the public or any member thereof, other than the Trustee and except as expressly provided herein or as contemplated in the Indenture, a third party beneficiary hereunder, or to authorize anyone not a party to this Supplemental Loan Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Supplemental Loan Agreement. The duties, obligations and responsibilities, if any, of the parties to this Supplemental Loan Agreement with respect to third parties shall remain as imposed by law.

Section 10.12 Exculpatory Provision.

(a) In the exercise of the powers of the Authority the Trustee and their respective trustees, directors, officers, employees and agents (each, an “*Indemnified Party*”) under this Supplemental Loan Agreement, each Indemnified Party shall not be accountable or liable to the Corporation (i) for any actions taken or omitted by such Indemnified Party in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them (other than the negligence or willful misconduct of such Indemnified Party), or (ii) for any claims based on this Supplemental Loan Agreement against any such Indemnified Party, all such liability, if any, being expressly waived by the Corporation by the execution of this Supplemental Loan Agreement. The Corporation shall indemnify and hold harmless each Indemnified Party against any claim or liability based on the foregoing asserted by any other person.

(b) In case any action shall be brought against an Indemnified Party in respect of which indemnity may be sought against the Corporation, such Indemnified Party shall promptly notify the Corporation in writing and the Corporation shall assume the defense thereof, including the employment of counsel of the Corporation’s choice and the payment of all expenses. Such Indemnified Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party unless the employment of such counsel has been authorized by the Corporation. The Corporation shall not be liable for any settlement of any such action without its consent but if any such action is settled with the consent of the Corporation or if there be final judgment for the plaintiff of any such action, the Corporation agrees to indemnify and hold harmless such Indemnified Party from and against any loss or liability by reason of such settlement or judgment.

(c) No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligations, covenant or agreement contained in this Supplemental Loan Agreement against any past, present or future officer, director, member, employee or agent of the Authority, or of any successor public corporation, as such, either directly or through the Authority or any successor public corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees, or agents as such is hereby expressly

waived and released as a condition of and consideration for the execution of this Supplemental Loan Agreement and the issuance of such Bonds.

Section 10.13 Accounts and Audits. The Authority shall cause the Trustee to keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Bonds. The Authority shall have access to the Corporation's books and records with respect to the Facilities upon written request after reasonable notice.

Section 10.14 Date of Supplemental Loan Agreement. The dating of this Supplemental Loan Agreement as of November 1, 2013 is intended as and for the convenient identification of this Supplemental Loan Agreement and is not intended to indicate that this Supplemental Loan Agreement was executed and delivered on said date, this Supplemental Loan Agreement being executed on the dates of the respective acknowledgments hereto attached.

Section 10.15 Reliance. It is expressly understood and agreed by the parties to this Supplemental Loan Agreement that:

(a) the Authority may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Authority by the Trustee, any Bondholder or the Corporation as to the existence of a fact or state of affairs required under this Supplemental Loan Agreement to be noticed by the Authority;

(b) the Authority shall not be under any obligation to perform any recordkeeping or to provide any legal service, it being understood that such services shall be performed or caused to be performed by the Trustee or the Corporation; and

(c) none of the provisions of this Supplemental Loan Agreement or the Mortgage shall require the Authority to expend or risk its own funds (apart from the proceeds of Bonds issued under the Indenture) or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights under this Supplemental Loan Agreement or the Mortgage unless it first shall have been adequately indemnified to its satisfaction against the costs, expenses and liabilities which may be incurred by taking any such action.

Section 10.16 Authority Not Liable. Notwithstanding any other provision of this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Loan Agreement or the Tax Regulatory Agreement, (a) the Authority shall not be required to take action under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement or the Tax Regulatory Agreement unless the Authority (i) is requested in writing by an appropriate Person to take such action; and (ii) is assured of payment of or reimbursement for any expense incurred in taking such action, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Authority nor any official, officer, member, director, agent, employee or servant of the Authority shall be liable to the Corporation, the Trustee or any other Person for any action taken by the Authority or by its officials, officers, members, directors, agents, employees, or servants, or for any failure to take action under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement, or the Tax Regulatory Agreement. In acting or in refraining from acting under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement or the Tax Regulatory Agreement, the Authority may conclusively rely on the advice of its counsel.

Section 10.17 No Violations of Law. Any other term or provision in this Supplemental Loan Agreement to the contrary notwithstanding:

(a) In no event shall this Supplemental Loan Agreement be construed as:

(i) depriving the Authority of any right or privilege; or

(ii) requiring the Authority or any member, agent, employee, representative or advisor of the Authority to take or omit to take, or to permit or suffer the taking of, any action by itself or by anyone else;

(iii) which deprivation or requirement would violate, or result in the Authority's being in violation of the Act or any other applicable state or federal law; and

(b) At no time and in no event with the Corporation permit, suffer or allow any of the proceeds of the Loan Agreement or the Bonds to be transferred to any Person in violation of, or to be used in any manner that is prohibited by, the Act or any other state or federal law.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority has caused this Supplemental Loan Agreement to be executed by its Executive Director and has caused the seal of the Authority to be affixed hereto and attested by its Assistant Secretary and the Corporation has caused this Supplemental Loan Agreement to be executed in its behalf by its Executive Director, all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: 
Steve A. Dicharry, Executive Director

ATTEST:

By: 
Linda U. Martin, Assistant Secretary

[SEAL]

UNIVERSITY FACILITIES, INC.

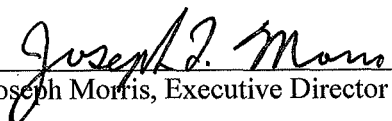
By: 
Joseph Morris, Executive Director

EXHIBIT A

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

EXHIBIT B

PERMITTED ENCUMBRANCES

[None].

LOAN AGREEMENT

by and between

**Louisiana Local Government Environmental Facilities
and Community Development Authority**

and

UNIVERSITY FACILITIES, INC.

Dated as of August 1, 2004

in connection with:

\$60,985,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A

\$15,000,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B

\$925,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Taxable Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004C

TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

| | | |
|--------------|-----------------------------|----|
| Section 1.01 | Definitions..... | 4 |
| Section 1.02 | Rules of Construction | 11 |

ARTICLE II REPRESENTATIONS

| | | |
|--------------|--|----|
| Section 2.01 | Representations by the Issuer..... | 12 |
| Section 2.02 | Representations of the Corporation | 12 |

ARTICLE III TERM, NATURE AND BENEFITS OF AGREEMENT; CONSTRUCTION OF FACILITIES

| | | |
|--------------|--|----|
| Section 3.01 | Term..... | 14 |
| Section 3.02 | Nature and Benefits..... | 14 |
| Section 3.03 | Demolition, Renovation, Development and Construction of the Facilities..... | 14 |
| Section 3.04 | Revision of Facilities Documents | 14 |
| Section 3.05 | Disbursements from Project Fund | 15 |
| Section 3.06 | Completion of Payment of Costs of the Facilities | 15 |
| Section 3.07 | Establishment of Completion Date | 15 |
| Section 3.08 | No Warranty of Condition or Suitability | 16 |

ARTICLE IV DISBURSEMENT OF BOND PROCEEDS; PAYMENTS; CREDITS; OBLIGATIONS UNCONDITIONAL; PREPAYMENT

| | | |
|--------------|---|----|
| Section 4.01 | Disbursement of Series 2004 Bond Proceeds | 17 |
| Section 4.02 | Amounts Payable | 17 |
| Section 4.03 | Credits Against Payments | 18 |
| Section 4.04 | Obligation to Make Payments..... | 19 |
| Section 4.05 | Prepayment of Payments..... | 20 |

ARTICLE V NON-ARBITRAGE

| | | |
|--------------|--------------------------------|----|
| Section 5.01 | Covenants as to Arbitrage..... | 21 |
|--------------|--------------------------------|----|

ARTICLE VI
CERTAIN COVENANTS OF THE CORPORATION

| | | |
|--------------|---|----|
| Section 6.01 | General Covenants of Corporation | 22 |
| Section 6.02 | Covenants Regarding Operation and Maintenance by the Corporation of its Properties | 23 |
| Section 6.03 | Covenant as to Encumbrances | 25 |
| Section 6.04 | Covenants, Representations and Warranties Relating to Federal Income Taxation | 25 |
| Section 6.05 | Information | 27 |
| Section 6.06 | Source of Payments..... | 28 |
| Section 6.07 | Insurance..... | 28 |
| Section 6.08 | Annual Reports | 28 |
| Section 6.09 | Merger or Consolidation..... | 28 |
| Section 6.10 | Disposition of Assets | 29 |
| Section 6.11 | Debt Service Coverage Ratios | 29 |
| Section 6.12 | Bond Hedges..... | 29 |

ARTICLE VII
ASSIGNMENT

| | | |
|--------------|---|----|
| Section 7.01 | Assignment of this Agreement..... | 30 |
| Section 7.02 | Restrictions on Transfer of Issuer's Rights | 30 |
| Section 7.03 | Assignment by the Issuer | 30 |

ARTICLE VIII
SUPPLEMENTS AND AMENDMENTS

| | | |
|--------------|--|----|
| Section 8.01 | Amendment to Agreement Without Consent..... | 31 |
| Section 8.02 | Amendment to Agreement Upon Approval of a Majority of Bondholders..... | 31 |
| Section 8.03 | Amendments to Facilities Lease or the Ground Lease Not Requiring Owner Consent..... | 32 |
| Section 8.04 | Amendments to the Facilities Lease or the Ground Lease Requiring Owner Consent..... | 32 |
| Section 8.05 | Consent Required Under Certain Circumstances for Amendment of Facilities Lease or Ground Lease..... | 33 |
| Section 8.06 | Opinion Required for Amendment of Facilities Lease or Ground Lease | 33 |
| Section 8.07 | Consent of the Board | 33 |
| Section 8.08 | Filing | 33 |
| Section 8.09 | Reliance on Counsel | 33 |
| Section 8.10 | Notice to Rating Agencies and Bond Insurer | 33 |

ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES

| | | |
|--------------|--|----|
| Section 9.01 | Events of Default Defined | 35 |
| Section 9.02 | Remedies..... | 36 |
| Section 9.03 | No Remedy Exclusive; Selective Enforcement | 36 |
| Section 9.04 | Indenture Overriding..... | 36 |
| Section 9.05 | Agreement to Pay Attorneys' Fees and Expenses..... | 37 |
| Section 9.06 | Issuer and Corporation to Give Notice of Default | 37 |
| Section 9.07 | Correlative Waivers | 37 |

ARTICLE X
MISCELLANEOUS

| | | |
|---------------|--|----|
| Section 10.01 | References to the Bonds Ineffective After Bonds Paid | 38 |
| Section 10.02 | Amounts Remaining in Funds | 38 |
| Section 10.03 | Notices | 38 |
| Section 10.04 | Binding Effect..... | 39 |
| Section 10.05 | Performance on Legal Holidays..... | 39 |
| Section 10.06 | Execution in Counterparts..... | 39 |
| Section 10.07 | Applicable Law | 39 |
| Section 10.08 | Severability | 39 |
| Section 10.09 | Captions | 39 |
| Section 10.10 | Consents and Approvals | 40 |
| Section 10.11 | Third Party Beneficiaries | 40 |
| Section 10.12 | Exculpatory Provision..... | 40 |
| Section 10.13 | Accounts and Audits | 40 |
| Section 10.14 | Reliance..... | 40 |
| Section 10.15 | Issuer Not Liable..... | 41 |
| Section 10.16 | No Violations of Law..... | 41 |

EXHIBIT A - DESCRIPTION OF FACILITIES
EXHIBIT B – PERMITTED ENCUMBRANCES

Loan Agreement

This Loan Agreement dated as of August 1, 2004 (together with any amendments hereto, the "Agreement"), is between the **Louisiana Local Government Environmental Facilities and Community Development Authority**, a political subdivision of the State of Louisiana (the "Issuer"), and **University Facilities, Inc.**, a nonprofit corporation organized and existing under the laws of the State of Louisiana (the "Corporation").

W i t n e s s e t h :

WHEREAS, the Issuer, a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the "Act"), and other constitutional and statutory authority, is authorized by the provisions of the Act to issue revenue bonds payable out of the income, revenues and receipts received by the Issuer from its properties and facilities or from properties or facilities pledged to it or from contracts or agreements relating to such facilities, and to secure its revenue bonds and reimbursement obligations by a pledge of the foregoing revenues or from other moneys which, by law or contract, may be available to the Issuer; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Issuer is authorized to issue revenue bonds and loan the funds derived from the sale thereof to the Corporation for the purpose of allowing the Corporation to pay the amount owed on the Prior Debt (as hereinafter defined) and finance the demolition of certain existing facilities and the renovation, development and construction of additional student housing and related facilities, including all furnishings, fixtures and facilities incidental or necessary in connection therewith (the "Facilities") for University Facilities, Inc. (the "Corporation"), to be located on the campus of Southeastern Louisiana University (the "University") in Tangipahoa Parish, Hammond, Louisiana, and to be leased back to the Board of Supervisors for the University of Louisiana System (the "Board") acting on behalf of the University; and

WHEREAS, the Corporation has requested that the Issuer issue \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "Series 2004C Bonds," and together with the Series 2004A Bonds, the Series 2004B Bonds and any Additional Bonds, the "Bonds") the proceeds of the sale of such Bonds to be

loaned to the Corporation pursuant to this Loan Agreement dated as of the date hereof (the "Agreement") for the purpose of (i) paying the Prior Debt, currently outstanding in the amount of \$14,590,000, (ii) demolishing certain existing facilities and renovating, developing and constructing the Facilities, (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to the Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds; and

WHEREAS, the Corporation and the Issuer are empowered to consummate the transactions contemplated hereunder and to do all acts and exercise all powers and assume all obligations necessary or incident thereto; and

WHEREAS, in consideration of the issuance of the Bonds by the Issuer, the Corporation will assign its rights under that certain Agreement to Lease with Option to Purchase (the "Facilities Lease") pursuant to which the Corporation, as Lessor, leases the Facilities to the Board, as Lessee, including its right to all Rental (as defined in the Facilities Lease) received thereunder, to the Issuer, and agree to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds and to pay such other amounts as are required by this Agreement; and

WHEREAS, MBIA Insurance Corporation (the "Bond Insurer") will issue its financial guaranty insurance policies unconditionally and irrevocably guaranteeing the full and complete payment of the regularly-scheduled principal of and interest on the Bonds as such payments shall become due but shall be unpaid; and

WHEREAS, the Issuer has adopted a resolution authorizing the sale and the issuance of the Bonds, the execution and delivery of instruments pertaining to the issuance thereof and other actions to be taken by the Issuer in connection with the authorization, issuance, sale and delivery of the Bonds and the application of the proceeds thereof; and

WHEREAS, all acts, conditions and things required by the laws of the State of Louisiana (the "State") to happen, exist and be performed precedent to and in the execution and delivery of this Agreement have happened, exist and have been performed as so required in order to make this Agreement a valid and binding agreement in accordance with its terms; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Agreement and the parties are now prepared to execute and deliver this Agreement; and

WHEREAS, in consideration of the respective representations and agreements contained herein, the parties hereto, recognizing that under the Act this Agreement shall not in any way obligate the State or any public corporation thereof, including, without limitation, the Issuer, to raise any money by taxation or use other public moneys for any purpose in relation to the Bonds and that neither the State nor the Issuer, shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Bonds except from moneys

received or to be received under the provisions of this Agreement and the Indenture or derived from the exercise of the rights of the Issuer thereunder, agree as follows:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01 **Definitions.** All capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the preamble hereto or in the Indenture. In addition to words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement shall have the following meanings, unless some other meaning is plainly intended:

"Act" means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 4548.1 to 4548.16, inclusive), and all future acts supplemental thereto and amendatory thereof.

"Additional Bonds" means bonds, if any, issued in one or more series on a parity with the Series 2004 pursuant to Article V of the Indenture.

"Additional Rental" means the amounts specified as such in the Facilities Lease.

"Agreement" means this Loan Agreement dated as of August 1, 2004 between the Corporation and the Issuer, including any amendments and supplements hereof and hereto as permitted hereunder.

"Auction Date" means initially the Wednesday immediately succeeding the Closing Date and every Wednesday thereafter (or such other day that the Market Agent shall establish as the Auction Date therefor); provided, that if such day is not a Business Day, the Auction Date shall be the following Business Day.

"Auction Rate" means, with respect to each Auction Period, the respective rate of interest per annum determined for the Auction Rate Bonds pursuant to the implementation of the Auction Procedures or, if an Auction shall not be held or shall be cancelled hereunder, the rate determined pursuant to the Indenture.

"Auction Rate Bonds" means the Series 2004B Bonds bearing interest at the Auction Rate.

"Authorized Corporation Representative" means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice-Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"Authorized Issuer Representative" means the person(s) at the time designated to act under this Agreement and the Indenture on behalf of the Issuer by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Issuer by the Chairman, Vice Chairman or Executive Director of the Issuer. Such certificate may designate an alternate or alternates.

"Base Rental" means the amounts referred to as such in Section 6(b) of the Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms thereof) but does not include Additional Rental.

"Board" means the Board of Supervisors for the University of Louisiana System, formerly known as the Board of Trustees for State Colleges and Universities or its legal successor as the management board of the University, acting on behalf of the University.

"Bond Counsel" means Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P., and its successors, or such other nationally recognized bond counsel as may be selected by the Issuer and acceptable to the Corporation and the Bond Insurer.

"Bond Insurance Policies" means the financial guaranty insurance policies issued by the Bond Insurer that unconditionally and irrevocably guarantees the full and complete payment of the regularly-scheduled principal of and interest on the Bonds as such payments shall become due but shall be unpaid.

"Bond Insurer" means MBIA Insurance Corporation, or any successor thereto.

"Bondholder" or **"owner,"** when used with reference to a Bond or Bonds, means the registered owner of any outstanding Bond or Bonds.

"Bonds" means, collectively, the Series 2004 Bonds and any Additional Bonds issued pursuant to a supplemental Indenture as authorized hereby.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Jacksonville, Florida, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"Closing Date" means the date on which the Series 2004 Bonds are delivered and payment therefor is received by the Issuer.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"Corporation" means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

"Costs of the Facilities" means those costs incurred by the Corporation in connection with the demolition of certain existing facilities and the renovation, development and construction of Facilities, as set forth in Section 4.16 of the Indenture.

"Debt Service Fund" means the fund of that name created under the Indenture.

"Defeasance Obligations" means noncallable direct obligations of the United States of America (including direct obligations of the United States of America which have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

"Facilities" means the student housing and related facilities described in **Exhibit A** to this Agreement, as amended and supplemented in accordance with the provisions of this Agreement, which are to be renovated and/or constructed in three (3) phases with the proceeds of the Bonds and Additional Bonds, and Southeastern Oaks and The Village.

"Facilities Documents" means collectively this Agreement, the Ground Lease, the Facilities Lease, the Plans and Specifications, construction contracts and amendments thereto, other contract documents and agreements, and surety bonds and instruments pertaining to the Facilities.

"Facilities Lease" means that certain Agreement to Lease With Option to Purchase dated as of August 1, 2004 by and between the Board, as Lessee, and the Corporation, as Lessor, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

"Fiscal Year" means any period of twelve consecutive months adopted by the Corporation as its Fiscal Year for financial reporting purposes, presently the period beginning on July 1 and ending on June 30 of the following year.

"Ground Lease" means that certain Ground and Buildings Lease dated as of August 1, 2004 by and between the Board, as Lessor, on behalf of the University, and the Corporation, as Lessee whereby the Land upon which certain existing facilities that are to be demolished are located and upon which the Facilities shall be constructed and/or renovated, and the Facilities, as completed, are leased by the Board to the Corporation.

"Indenture" means the Trust Indenture dated as of August 1, 2004 between the Issuer and the Trustee, as it may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

"Interest Account" means the Interest Account within the Debt Service Fund created pursuant to Article IV of the Indenture.

"Interest Payment Date" or **"interest payment date,"** when used with respect to the Series 2004A Bonds, the Series 2004B Bonds that bear interest at a Fixed Rate and the Series 2004C Bonds, means each February 1 and August 1, commencing February 1, 2005, when used with respect to Auction Rate Bonds, means the Business Day following each Auction Date, and with respect to Variable Rate Bonds, means the dates set forth in the supplemental indenture executed in connection with the applicable Variable Rate Conversion.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"Land" means the real property and improvements thereon more particularly described on Exhibit A attached to the Ground Lease upon which certain existing facilities are to be demolished and upon which the Facilities are to be renovated, constructed and located.

"Loan" means the aggregate amount of the moneys loaned to the Corporation pursuant to this Agreement.

"Mortgage" means the Mortgage, Security Agreement and Assignment of Leases and Rents dated as of August 1, 2004, by the Corporation in favor of the Trustee, mortgaging the Corporation's leasehold interest in and to the Land and the Facilities.

"Operating Expenses" means the current expenses of operation, maintenance and current repair of the Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker's compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, this Agreement or the Indenture, any Rebate Amount, amounts payable by the Corporation under this Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Issuer (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. "Operating Expenses" will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Facilities; or (4) amortization of financing costs.

"Outstanding" or **"outstanding,"** when used with reference to Bonds, means all Bonds which have been authenticated and issued under the Indenture except:

- (a) Bonds canceled by the Trustee pursuant to the Indenture;
- (b) Bonds for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of the Indenture;
- (c) Bonds which have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in the Indenture;

(d) Bonds in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in the Indenture; and

(e) for all purposes regarding consents and approvals or directions of Bondholders under this Agreement or the Indenture, Bonds held by or for the Issuer, the Corporation or any person controlling, controlled by or under common control with either of them.

"Payments" means the amounts of repayments under this Agreement with respect to the Bonds to be made by the Corporation as provided in Article IV of this Agreement.

"Permitted Encumbrances" means:

(a) any lien arising by reason of any good faith deposit with the Corporation in connection with any lease of real estate, bid or contract (other than any contract for the payment of money);

(b) any lien arising by reason of any deposit with or giving of security to any governmental agency as a condition to the transaction of any business or the participation by the Corporation in any funds established to cover insurance risk or in connection with worker's compensation, unemployment insurance, pension plans or other social security;

(c) any right reserved to any municipality or other public authority by the terms of any franchise, grant, license or provision of law affecting any property of the Corporation and any lien on any property of the Corporation for taxes, assessments or other municipal charges so long as such charges are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(d) mechanics' and materialmen's liens in connection with any property of the Corporation so long as any amounts secured by such lien are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(e) the Indenture, this Agreement, the Mortgage, the Ground Lease or the Facilities Lease;

(f) any lien on property received by the Corporation through a gift, grant or bequest constituting a restriction imposed by the donor, grantor or testator on such gift, grant or bequest (or the income therefrom), provided that any such lien may not be extended, renewed or modified in any way or applied to any additional property of the Corporation unless it would otherwise qualify as a Permitted Encumbrance;

(g) such easements, rights-of-way, servitudes, restrictions and other defects as are determined not to materially impair the use of the Corporation's facilities for their intended purposes or the value of such facilities, such determination to be made in a certificate of an

authorized officer of the Corporation supported by an opinion of independent counsel or a report or opinion of an independent management consultant (unless the Bond Insurer shall waive the requirement of such supporting opinion or report); and

(h) Any mortgage, pledge, assignment or lien against or affecting the Facilities or any revenues derived therefrom granted by the Corporation in connection with any financing of Additional Facilities (as defined in the Facilities Lease) owned or leased by the Corporation as permitted under Section 3(i) of the Facilities Lease.

In addition, encumbrances in existence as of the date of issuance of the Series 2004 Bonds as set forth in **Exhibit B** hereof are hereby qualified as Permitted Encumbrances. Any such existing encumbrance may not be extended, renewed or modified in any way or applied to any additional Properties of the Corporation unless it would otherwise qualify as a Permitted Encumbrance.

"Plans and Specifications" means the plans and specifications prepared for each phase of the Facilities, as implemented and detailed from time to time, and as the same may be revised from time to time prior to the completion of the Facilities in accordance with this Agreement and the Ground Lease.

"Principal Account" means the Principal Account within the Debt Service Fund created pursuant to Article IV of the Indenture.

"Principal Payment Date" when used with respect to the Bonds means each August 1, commencing August 1, 2006.

"Prior Debt" means the amount borrowed by the Corporation pursuant to two Loan Agreements dated each as of June 1, 2000 as part of the Louisiana Public Facilities Authority Equipment and Capital Facilities Pooled Loan Program Revenue Bonds, Series 2000 of which \$14,590,000 is currently outstanding.

"Project Fund" means the fund of that name created under the Indenture.

"Properties" means any and all rights, title and interests in and to any and all of the Corporation's property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or hereafter acquired, including the Land. The term "Properties," without intending to limit the generality of the foregoing, as of any particular time, shall include all buildings, structures, fixtures, furnishings, equipment and other property, movable and immovable, and all franchises, land, rights-of-way, privileges, servitudes, easements, licenses, rights and any other interests in immovable property owned, leased, subleased or otherwise acquired by the Corporation and used or useful in connection with or incident to such facilities, or used or useful by the Corporation in connection with or incident to its authorized purposes.

"Reimbursement Agreement" means the Reimbursement and Indemnity Agreement dated as of August 1, 2004 between the Corporation and the Bond Insurer.

"Rental" means and includes the Base Rental and Additional Rental.

"Series 2004 Bonds" means, collectively, the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds.

"Series 2004A Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, initially bearing interest at the Fixed Rate and authorized to be issue by the Issuer in the aggregate principal amount of \$60,985,000, including such Series 2004A Bonds issued in exchange for other such Series 2004A Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004A Bonds pursuant to the Indenture.

"Series 2004B Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B, initially bearing interest at the Auction Rate and authorized to be issue by the Issuer in the aggregate principal amount of \$15,000,000, including such Series 2004B Bonds issued in exchange for other such Series 2004B Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004B Bonds pursuant to the Indenture.

"Series 2004C Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C, authorized to be issue by the Issuer in the aggregate principal amount of \$925,000, including such Series 2004C Bonds issued in exchange for other such Series 2004C Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004C Bonds pursuant to the Indenture.

"State" means the State of Louisiana.

"Tax Regulatory Agreement" means the Tax Regulatory Agreement and Arbitrage Certificate dated August 13, 2004 by and among the Issuer, the Corporation, the Board and the Trustee.

"Trust Estate" means all the property assigned by the Issuer to the Trustee pursuant to the Indenture as security for the Bonds.

"Trustee" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under the Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture, initially The Bank of New York Trust Company, N.A.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

"Variable Rate Bonds" means any principal amount of Series 2004B Bonds bearing interest at the Variable Rate.

Section 1.02 **Rules of Construction.** (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, the word "person" shall include the plural as well as the singular number, and "person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

(c) Provisions calling for the redemption of Bonds or the calling of Bonds for redemption do not mean or include the payment of Bonds at their stated maturity or maturities.

(d) All references in this Agreement to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this Agreement. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

ARTICLE II REPRESENTATIONS

Section 2.01 **Representations by the Issuer.** The Issuer represents and warrants as follows:

- (a) The Issuer is a political subdivision of the State.
- (b) Under the provisions of the Act, the Issuer is duly authorized to enter into, execute and deliver this Agreement, to undertake the transactions contemplated by this Agreement and to carry out its obligations hereunder.
- (c) The Issuer has duly authorized the execution and delivery of this Agreement, the Indenture and the Bonds.
- (d) The Issuer agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

Section 2.02 **Representations of the Corporation.** The Corporation makes the following representations and warranties:

- (a) The Corporation is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State, has all requisite power and authority and all necessary licenses and permits to own and operate its properties and to carry on its business as it is now being conducted and as it is currently proposed to be conducted. The Corporation has power to execute and deliver this Agreement, the Tax Regulatory Agreement, the Ground Lease, the Facilities Lease, and the Mortgage and by proper action has been duly authorized to execute and deliver this Agreement, the Tax Regulatory Agreement, the Ground Lease, the Facilities Lease, and the Mortgage.
- (b) Each of the statements made with respect to the Corporation in the recitals of this Agreement is true, correct and complete.
- (c) The Corporation is not in breach of or in default under any of the provisions of (i) the Articles of Incorporation of the Corporation, as amended, or By-laws, as amended, (ii) any judgment, decree, order, statute, rule or regulation applicable to it or to its Properties, or (iii) any material provision of any material indenture, mortgage, loan agreement, financing agreement or other contract or instrument to which it is a party or by which it or any of its Properties are bound.
- (d) The Corporation is not required in connection with the transactions contemplated by this Agreement, the Ground Lease, the Facilities Lease, and the Mortgage to obtain any consent not already obtained.
- (e) The Corporation has or timely will obtain as required all authority, permits, licenses, consents and authorizations as are necessary to own, lease and operate its Properties and

to carry on its business and to carry out and consummate all the transactions contemplated by this Agreement, the Ground Lease, the Facilities Lease, and the Mortgage.

(f) This Agreement, the Ground Lease, the Facilities Lease, and the Mortgage, are legal, valid and binding obligations of the Corporation in accordance with their terms, and the authorization, execution and delivery hereof and thereof and compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under (i) any provision of any indenture, mortgage, deed of trust, loan agreement or other contract or instrument to which the Corporation is a party or by which it or any of its Properties are bound, (ii) any order, injunction or decree of any court or governmental authority, or (iii) the provisions of its charter, as amended, or by-laws, as amended.

(g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the validity or enforceability of this Agreement, the Ground Lease, the Facilities Lease, the Mortgage, or any other agreement or instrument to which the Corporation is a party used in consummation of the transactions contemplated hereunder.

(h) The Corporation has obligated itself to demolish certain existing facilities and renovate, develop and construct the Facilities pursuant to this Agreement, the Ground Lease and the Facilities Lease, and the Corporation has the full power, right and authority to demolish certain existing facilities and renovate, develop and construct the Facilities and has obtained, or timely will obtain, all permits, licenses and approvals of governmental agencies necessary to undertake and complete such renovation, development and construction in accordance with the Plans and Specifications.

(i) As of the date of this Agreement, (i) the Corporation is an organization described in §501(c)(3) of the Internal Revenue Code (the "Code") that is not a "private foundation" within the meaning of §501(c)(3) of the Code, (ii) the Corporation received a determination letter from the IRS to the effect that it is a tax-exempt organization, (iii) the Corporation is in full compliance with all terms, conditions, and limitations, if any, contained in such determination letter, (iv) such status as a tax-exempt organization has not been adversely modified, limited, or revoked, (v) the facts and circumstances that formed the basis for the status of the Corporation, as represented to the IRS in the Corporation's application for a determination letter, either substantially exist for the Corporation or differ in a manner consistent with the requirements of §501(c)(3) of the Code. The Corporation has conducted its operations and has filed all required reports and documents with the IRS so as to maintain its status as a tax-exempt organization. The Corporation is organized and operated exclusively for religious, educational, and charitable purposes, and not for pecuniary profit, and no part of its net earnings inures to the benefit of any person, private stockholder, or individual. The Corporation has received no notice or communication of any kind from the IRS directly or indirectly questioning its status under §501(c)(3) or indicating that the Corporation is or will be audited with respect to such status.

ARTICLE III
TERM, NATURE AND BENEFITS OF AGREEMENT;
CONSTRUCTION OF FACILITIES

Section 3.01 **Term**. The term of this Agreement shall commence on the Closing Date for the Series 2004 Bonds, and shall terminate (unless discharged upon prepayment of all sums due hereunder by the Corporation prior thereto as hereinafter provided) on the date on which the Series 2004 Bonds and all other sums secured hereunder or under the Reimbursement Agreement shall have been paid or provision for their payment shall have been made in accordance herewith. Notwithstanding the foregoing, the indemnification provisions of this Agreement shall survive the termination hereof and the defeasance of the Series 2004 Bonds under the Indenture.

Section 3.02 **Nature and Benefits**. This Agreement has been executed and delivered in part to induce concurrently herewith the purchase by others of the Series 2004 Bonds, and, accordingly, all covenants and agreements on the part of the Corporation and the Issuer, as set forth therein and herein, are hereby declared to be for the benefit of the Trustee for the owners from time to time of the Series 2004 Bonds. The Corporation consents and agrees to the assignment by the Issuer to the Trustee under the Indenture of all of the Issuer's right, title and interest (except for certain rights relating to exculpation, indemnification and payment of expenses) in, to and under this Agreement and agrees that the provisions hereof may be enforced by the Trustee under the provisions of the Indenture. The Corporation agrees to do all things within its power in order to comply with, and to enable the Issuer to comply with, all requirements and to fulfill, and to enable the Issuer to fulfill, all covenants of the Indenture and the Series 2004 Bonds.

This Loan Agreement is a limited obligation of the Corporation, payable solely from the Base Rental, and this Agreement shall remain in full force and effect until the Bonds and the interest therein have been fully paid or otherwise provided for or discharged.

Section 3.03 **Demolition, Renovation, Development and Construction of the Facilities**. The Corporation shall lease the Land, demolish certain existing facilities and renovate, develop and construct, or cause to be renovated, developed and constructed, the Facilities with all reasonable dispatch and in accordance with the Facilities Documents, and shall take all action necessary to enforce the provisions of the Facilities Documents.

Section 3.04 **Revision of Facilities Documents**. The Corporation may revise the Facilities Documents and the description of the Facilities in **Exhibit A** hereto from time to time (including, without limitation, the deletion or revision of any of the facilities included in the Facilities and/or the substitution thereof of other facilities) in accordance with the Ground Lease without the consent of the Issuer, the Trustee or the holders of the Bonds but with the consent of the Board and the Bond Insurer; provided, however, that no such revision shall impair the exclusion from gross income of interest on the Series 2004A Bonds or Series 2004B Bonds for federal income tax purposes. In the case of any change that would render materially inaccurate the description of the Facilities in **Exhibit A** hereto, there shall be delivered to the Trustee and the Issuer a revised **Exhibit A** containing a description of the Facilities that reflects the change in the Facilities Documents, the accuracy of which shall have been certified by an Authorized Corporation Representative.

Prior to effecting any change in or revision of the Facilities Documents, the Corporation shall deliver to the Issuer evidence of all governmental or regulatory approvals required therefor.

Section 3.05 **Disbursements from Project Fund.** The money in the Project Fund shall be applied by the Trustee, and in connection therewith requisitions shall be presented by the Corporation signed by an Authorized Corporation Representative, for payment of the Costs of the Facilities in accordance with Article IV of the Indenture and Article III of this Agreement, and pending such application such money shall be invested and reinvested in accordance with Article IV of the Indenture.

Section 3.06 **Completion of Payment of Costs of the Facilities.** At such time as the Corporation has notice that the funds initially deposited in the Project Fund on the date of delivery of the Bonds issued to finance the Facilities, together with the investment earnings thereon, are insufficient to pay the completion Costs of the Facilities, the Corporation shall deliver to the Trustee and the Issuer written estimates by an architect and an Authorized Corporation Representative of the additional funds required to pay the completion Costs of the Facilities, and such additional information and data as may be reasonably requested by the Issuer and the Trustee. The Corporation shall complete demolition of certain existing facilities and the renovation, development and construction of the Facilities and pay that portion of the completion Costs of the Facilities as may be in excess of the money available therefor in the Project Fund. The obligation of the Corporation to pay in full the completion Costs of the Facilities shall be a limited obligation of the Corporation payable solely from the Base Rental.

Upon the request of the Corporation, the Issuer will use its best efforts to issue and sell, upon terms and at prices acceptable to the Issuer and the Corporation, one or more series of Additional Bonds for the purpose of financing the completion Costs of the Facilities; provided, however, that the failure of the Issuer to issue such bonds shall not relieve the Corporation of its obligation to provide the additional money required to pay the completion Costs of the Facilities. If after exhaustion of the money in the Project Fund the Corporation should pay any portion of the Costs of the Facilities, it shall not be entitled to any reimbursement therefor from the Issuer or from the Trustee, and shall not be entitled to any abatement, diminution or postponement of payments required to be made by it under this Agreement.

Section 3.07 **Establishment of Completion Date.** The date upon which the demolition of certain existing facilities and the renovation, development and construction of the Facilities are substantially complete shall be evidenced to the Issuer and the Trustee by a certificate signed by an Authorized Corporation Representative. The certificate shall set forth the Costs of the Facilities and state that, except for amounts not then due and payable, or the liability for the payment of which is being contested or disputed in good faith by the Corporation, (a) the demolition of certain existing facilities and the renovation, development and construction of the Facilities have been completed substantially in accordance with the Plans and Specifications and the Costs of the Facilities have been paid, and (b) all other facilities necessary in connection with the Facilities have been acquired, constructed and installed in accordance with the Plans and Specifications therefor and all costs and expenses incurred in connection therewith have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or which may subsequently come into being.

Section 3.08 No Warranty of Condition or Suitability. The Corporation acknowledges its full familiarity with the Facilities and that the Issuer has no responsibility for the Plans and Specifications and other Facilities Documents. The Issuer makes no representation or warranty, either express or implied, and offers no assurance that the proceeds of the Bonds will be sufficient to pay in full the Costs of the Facilities in accordance with the Facilities Documents.

ARTICLE IV
DISBURSEMENT OF BOND PROCEEDS; PAYMENTS;
CREDITS; OBLIGATIONS UNCONDITIONAL; PREPAYMENT

Section 4.01 **Disbursement of Series 2004 Bond Proceeds.** In order to provide funds for paying the Costs of the Facilities, the Issuer, as soon as practicable after the execution of this Agreement will proceed to issue, sell and deliver the Series 2004 Bonds to the purchasers thereof and will deposit the proceeds thereof as provided by Section 4.2 of the Indenture with the Trustee for disbursement in accordance with the provisions of the Indenture.

Section 4.02 **Amounts Payable.** Upon the terms and conditions of this Agreement, the Issuer shall lend to the Corporation the proceeds of the sale of the Series 2004 Bonds. The proceeds of the Loan shall be deposited with the Trustee and applied in accordance with the Indenture.

The Corporation, for and in consideration of the issuance of the Series 2004 Bonds under the Indenture by the Issuer and the application of the proceeds thereof by the Issuer as provided in the Indenture for the benefit of the Corporation, hereby promises to repay the Loan, but solely from the Base Rental, by making the following payments (collectively called the "Payments") to or for the account of the Issuer in an amount sufficient for the payment in full of all Series 2004 Bonds from time to time issued under the Indenture and then outstanding, including (i) the total interest becoming due and payable on the Bonds to the date of payment thereof, and (ii) the total principal amount of and premium, if any, on the Bonds. The Payments with respect to the Bonds shall be payable directly to the Trustee for the account of the Issuer in installments as follows:

(a) With respect to the Series 2004A Bonds, the Series 2004B Bonds that bear interest at a Fixed Rate and the Series 2004C Bonds, on the twenty-fifth (25th) day of each month, commencing August 25, 2004, in an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004 Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Series 2004 Bonds on such Interest Payment Date; and

(b) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing August 18, 2004, in an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Series 2004 Bonds on such Interest Payment Date; and

(c) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Series 2004 Bonds on such Interest Payment Date;

(d) On the twenty-fifth (25th) day of each month, commencing August 25, 2005, in an amount equal to one-twelfth (1/12th) of the principal of the Series 2004 Bonds payable on the next Principal Payment Date; and

(e) On the dates required in the Indenture, into any of the funds established in the Indenture, including, without limitation, the Debt Service Reserve Fund and the Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture.

If the interest rate on the Auction Rate Bonds or the Variable Rate Bonds is subject to adjustment pursuant to the Indenture after the date of such required payment deposit and prior to such Interest Payment Date, interest accruing on such bonds from such adjustment date shall be assumed to accrue at the rate in effect on such bonds as of the date of such required deposit plus 100 basis points or at such other rate as may from time to time direct in writing to the Trustee, the Corporation and the Issuer.

Each installment of the Payments payable by the Corporation hereunder shall be in an amount which, without regard to the payments required under Section 4.02(e) above, but including moneys in the Debt Service Fund then available, shall be designed to provide for the timely payment in full of the principal of, premium, if any, and interest on the Bonds.

Notwithstanding anything to the contrary contained herein, the Corporation promises that it will pay the Payments from the Base Rental, at such times and in such amounts as to assure that no default in the payment of the principal of, premium, if any, or interest on the Bonds shall at any time occur.

Whenever the Corporation shall fail to pay the full amount of any installment of Payments payable under Sections 4.2(a) through 4.2(e) above by the day of the month in which such installment is due, the Trustee shall give immediate telephonic notice thereof, promptly confirmed in writing, to an Authorized Corporation Representative.

The Corporation shall also cause the Board to promptly pay when due under the Facilities Lease all amounts of Additional Rental owed by the Board thereunder, including, but not limited to, all Default or Delay Rentals and Administrative Expenses (each as defined in the Facilities Lease) owed to the Corporation, the Issuer and/or the Trustee thereunder.

Section 4.03 **Credits Against Payments.** A credit against and reduction of the Payments shall be derived only from the following sources:

- (a) Accrued interest, if any, derived from the sale of the Bonds;
- (b) Any capitalization of interest from the proceeds of the Bonds contained in the Capitalized Interest Fund under the Indenture;

(c) Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement.

(d) Surplus moneys (including investment earnings) contained in the Funds and Accounts held by the Trustee under the Indenture, including the Debt Service Fund, the Debt Service Reserve Fund and the Replacement Fund;

Section 4.04 **Obligation to Make Payments**. The obligation of the Corporation to repay the Loan by making the Payments from the Base Rental shall be absolute and unconditional and shall not be subject to, nor shall the Corporation be entitled to assert, any rights of abatement, deduction, reduction, deferment, recoupment, setoff, offset or counterclaim by the Corporation or any other person, nor shall the same be abated, abrogated, waived, diminished, postponed, delayed or otherwise modified under or by reason of any circumstance or occurrence that may arise or take place, irrespective of what statutory rights the Corporation may have to the contrary, including but without limiting the generality of the foregoing:

(a) Any damage to or destruction of part or all of the Facilities;

(b) The taking or damaging of part or all of the Facilities or any temporary or partial use thereof by any public authority or agency in the exercise of the power of eminent domain, sequestration or otherwise;

(c) Any assignment, novation, merger, consolidation, transfer of assets, leasing or other similar transaction of, by or affecting the Corporation, except as otherwise provided in this Agreement;

(d) Any change in the tax or other laws of the United States, the State or any governmental authority;

(e) The termination of the Ground Lease or the Facilities Lease, any failure of title or any lawful or unlawful prohibition of the Corporation's use of the Facilities or any portion thereof or the interference with such use by any person or any commercial frustration of purpose or loss or revocation of any permits, licenses or other authorizations required for the operation of the Facilities; and

(f) Any failure of the Issuer or the Trustee to perform and observe any agreement or covenant, expressed or implied, or any duty, liability or obligation arising out of or in connection with this Agreement, the invalidity, unenforceability or disaffirmance of any of this Agreement, the Indenture or the Bonds or for any other cause similar or dissimilar to the foregoing.

Furthermore, the Corporation covenants and agrees that it will remain obligated under this Agreement in accordance with its terms, and that it will not take or participate or acquiesce in any action to terminate, rescind or avoid this Agreement.

Section 4.05 **Prepayment of Payments**. The Corporation is obligated to prepay the Payments, in whole or in part, on any date on which the Bonds are subject to optional redemption pursuant to the Indenture, including, without limitation, redemption at the direction of the Board pursuant to Section 3.4 of the Indenture.

To exercise such option, the Corporation shall give written notice to the Issuer, the Bond Insurer and the Trustee and shall specify therein the date of such prepayment, which prepayment date shall be not less than forty-five (45) days from the date such notice is received by the Trustee. The Issuer and the Trustee shall make all necessary arrangements satisfactory to the Trustee for the redemption of Bonds to be redeemed under the Indenture in accordance with the provisions thereof.

The prepayment price payable by the Corporation, in the event of its exercise of the option granted in this Section, or in the case of its obligation to prepay the Payments shall be the sum of the following:

(a) An amount of money which, when added to the moneys and investments held by the Trustee pursuant to the provisions of the Indenture and available for such redemption, is sufficient to pay and discharge the Bonds to be redeemed (including the total principal amount of such Bonds and interest to accrue thereon to the date fixed for redemption of such Bonds to be redeemed, plus a premium equal to the amount of premium required to be paid in connection with the redemption of such Bonds) on the date fixed for redemption; plus

(b) An amount of money equal to the fees and expenses of the Trustee and the Issuer accrued and to accrue through the date of such redemption and any amounts due under the Reimbursement Agreement.

ARTICLE V
NON-ARBITRAGE

Section 5.01 **Covenants as to Arbitrage.** The Corporation hereby agrees to prepare and provide instructions to the Trustee as to the investment and reinvestment of moneys held as part of any fund or account relating to the Bonds. Any such moneys so held as part of any fund or account shall be invested or reinvested by the Trustee in Permitted Investments as specified in Section 4.12 of the Indenture. The Corporation hereby covenants that it will comply with the terms of the Tax Regulatory Agreement and that it will make such use of the proceeds of the Bonds and all other funds held by the Trustee under the Indenture, regulate the investment of such proceeds and other funds and take such other and further action as may be required so that the Series 2004A Bonds and Series 2004B Bonds will not constitute arbitrage bonds under Section 148 of the Code and the regulations promulgated thereunder. The Corporation agrees that it will comply with the terms of any letter of instructions provided to it by Bond Counsel relating to compliance with the provisions of Section 148 of the Code.

If the Corporation determines that it is necessary to restrict or limit the yield on the investment of any money paid to or held by the Trustee hereunder or under the Indenture in order to avoid classification of the Series 2004A Bonds and Series 2004B Bonds as arbitrage bonds within the meaning of the Code, the Corporation may issue to the Trustee an instrument to such effect (along with appropriate written instructions), in which event the Trustee will take such action as is necessary to restrict or limit the yield on such moneys in accordance with such instrument and instructions.

ARTICLE VI
CERTAIN COVENANTS OF THE CORPORATION

Section 6.01 **General Covenants of Corporation**. The Corporation further expressly represents, covenants and agrees:

(a) To comply with the terms, covenants and provisions expressed or implied, of all contracts pertaining to, affecting or involving the Facilities or the business of the Corporation, the violation or breach of which would materially and adversely affect the ability of the Corporation to fulfill its obligations hereunder;

(b) Whenever and so often as requested so to do by the Trustee or the Issuer, promptly to execute and deliver or cause to be executed and delivered all such other and further instruments and documents, and to promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Issuer, the Trustee and the owners of the Bonds all rights, interests, powers, benefits, privileges and advantages conferred upon them under the Mortgage, this Agreement and the Indenture;

(c) To defend against every suit, action or proceeding at any time brought against the Issuer or the Trustee based on any claim arising out of the receipt, application or disbursement of any of the Trust Estate or involving the Issuer's or the Trustee's rights or obligations under this Agreement or under the Indenture (except in the case of the Issuer's or the Trustee's negligence or willful misconduct), to indemnify and hold harmless the Trustee and each officer, employee, agent, or other representative of the Trustee against claims arising out of the Trustee's responsibilities under this Agreement, the Indenture or any other document entered into by the Trustee in connection with the Bonds (except in the case of the Trustee's negligence or willful misconduct), to indemnify and hold harmless the Issuer and any officer, employee, agent, servant or trustee of the Issuer against claims during the term of this Agreement that may be occasioned by any cause (other than the negligence or willful misconduct of the Issuer, its officers, employees, agents, servants and trustees) pertaining to the construction, use, possession, operation, service, design or management or leasing or subleasing of the Facilities and any liabilities or losses resulting from violations by the Corporation of conditions, agreements and requirements of law affecting the Facilities or the ownership, occupancy or use thereof or arising from any defect in or from the operation of the Facilities, and to protect and insulate the Issuer and its members individually from any and all financial responsibility or liability whatsoever with respect to the Facilities;

(d) At all times to maintain the Corporation's rights to carry on the business of the Corporation and to duly procure all licenses and other authorizations required for the carrying on of its business and to provide all renewals and replacements and improvements to, and extensions of, the Facilities and to diligently maintain, preserve and renew all the rights, powers, privileges, approvals, licenses and franchises required for the carrying on of its business;

(e) To fulfill its obligations and to perform punctually its duties and obligations under this Agreement and to otherwise carry on its business in accordance with the terms hereof to assure the continued proper operation, management, repair and maintenance of the Facilities;

(f) To cause compliance with all material provisions of applicable federal, State and local laws;

(g) To pay, discharge, indemnify and save the Issuer and the Trustee, except in the case of their negligence or willful misconduct, and their respective officers, agents, employees, servants and trustees harmless of, from and against any and all costs, claims, damages, expenses, liabilities, liens, obligations, penalties and taxes of every character and nature, by or on behalf of any person, firm, corporation, entity or governmental Issuer regardless of by whom advanced, asserted, held, imposed or made, which may be imposed upon, incurred by or asserted against the Issuer and the Trustee and their respective officers, agents, employees, servants and trustees arising out of, resulting from or in any way connected with this Agreement, the Bonds or the Indenture. The Corporation also covenants and agrees, at its expense, to pay and to indemnify and to save the foregoing harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand; and

(h) To maintain its status as an exempt organization under Section 501(c)(3) of the Code organized and operated exclusively for religious, charitable, scientific and educational purposes and it shall not perform any act or enter into any agreement which shall adversely affect its ability to obtain such status as set forth in this Section.

Section 6.02 **Covenants Regarding Operation and Maintenance by the Corporation of its Properties.** The Corporation acknowledges and agrees that it shall pay during the term hereof all Payments and other sums required hereunder and shall cause the Board to pay, as Additional Rental under the Facilities Lease, all Operating Expenses. The Corporation also expressly covenants and agrees:

(a) That it shall cause the Board and/or the University to maintain the Facilities, and each and every portion thereof, including all additions and improvements and all facilities adjoining and/or appurtenant thereto, in good operating order and condition, reasonable and ordinary wear and tear alone excepted, and make all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, and otherwise to make all replacements, alterations, improvements and modifications to the Facilities necessary to ensure that the same at all times shall be suitable for the efficient operation thereof for the purpose intended;

(b) That the Issuer, the Bond Insurer, the Trustee and their agents shall have the right to inspect the Facilities at any reasonable time in a manner which will not interfere unreasonably with the Corporation's use thereof; however, any right of access to any portion of the Facilities leased to the students, faculty, staff and Permitted

Sublessees, as defined in the Facilities Lease, shall be subject to their rights pursuant to their rental agreements and University policy;

(c) That no construction undertakings, including the demolition of certain existing facilities and the renovation, development and construction of the Facilities, shall be commenced until the Corporation shall have first procured, so far as the same may be required from time to time, all necessary approvals and authorizations from municipal departments and governmental subdivisions having jurisdiction, and all construction undertakings shall be made and effected promptly and in a good and workmanlike manner and in full compliance with the Ground Lease, all applicable permits, authorizations and laws and in accordance with all such requirements as insurers of the Properties, and all components thereof, may reasonably establish;

(d) That it shall cause the Board to pay, as Additional Rental under the Facilities Leases, as the same respectively become due, all taxes and assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Facilities. The Corporation shall not allow any part of the Facilities to become and remain subjected to any mechanics', laborer's or materialmen's liens of record. Notwithstanding the foregoing, the Corporation may, at its own expense and in its own name, contest any such item of tax, assessment, liens or other governmental charge and, in the event of such contest, may permit the item so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Issuer or the Trustee shall notify the Corporation that, in the opinion of nationally recognized bond counsel by nonpayment of any such items the security afforded the Bonds pursuant to the terms of the Indenture or this Agreement will be materially endangered, in which event such taxes, assessments or charges shall be paid forthwith. The Issuer will cooperate to the extent reasonably necessary with the Corporation in any such claim, defense or contest. In the event the Corporation fails to do so, the Issuer or the Trustee may, but shall be under no obligation to, pay any such item and any amounts so advanced therefor by the Issuer or the Trustee shall become an additional obligation of the Corporation to the one making the advancement, which amount the Corporation agrees to pay together with interest thereon at the rate of the Trustee's prime lending rate, but solely from Base Rental;

(e) That it shall comply promptly with all material provisions of present and future laws, ordinances, orders, rules, regulations and requirements of every duly constituted governmental authority or agency and all material orders, rules and regulations of any regulatory, licensing, insurance underwriting or rating organization or other body exercising similar functions. The Corporation shall likewise perform and comply with all duties and obligations of any kind imposed by law, covenant, condition, agreement or easement and the requirements of all policies of insurance at any time in force with respect to the Facilities;

(f) That it shall not use or allow the Facilities to be used or occupied for any unlawful purpose or in violation of any private covenant, restriction, condition, easement or agreement covering or affecting the use of the Facilities. The Corporation likewise

shall not suffer any act to be done or any condition to exist in the Facilities or any article to be brought therein or thereon which may be dangerous, unless safeguarded as required by law, or which, under law, constitutes a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto;

(g) That it shall provide or cause to be provided all equipment, furnishings, supplies, facilities, services and personnel required for the proper demolition of certain existing facilities and the renovation, development and construction of the Facilities in an economical and efficient manner, consistent with standards of operation and administration generally acceptable for facilities of comparable size and scope of operations; and

(h) That it shall take all action, if any, that may be required to obtain such consents, exceptions, exemptions or approvals of governmental authorities as may be necessary to permit it to comply fully with all covenants, stipulations, obligations and agreements of the Corporation contained in this Agreement.

(i) The Corporation agrees that, if Capstone On-Campus Management, L.L.C. shall cease to serve as Manager, the Corporation, with the consent of the Bond Insurer (which consent shall not be unreasonably withheld), will promptly employ and at all times thereafter employ as the Manager either the University or a recognized manager of student housing facilities that then manages, and shall have for the past five (5) years managed, at least five thousand (5,000) beds of student housing. If the Corporation requests the Bond Insurer's consent to employ the University as Manager, the Corporation and/or the University shall provide the Bond Insurer with information detailing the University's plan for managing the Facilities. The Corporation agrees that the Manager shall be replaced at the Bond Insurer's request if the Debt Service Coverage Ratio for the Facilities is less than 1:10:1.0 for two consecutive Fiscal Years. Prior to the entering into a contract with any successor Manager, the Corporation shall first deliver to the Trustee and the Bond Insurer an opinion of Bond Counsel to the effect that the terms of the proposed Management Agreement will not cause interest on the Series 2004A Bonds, the Series 2004B Bonds or any Additional Bonds that are Tax Exempt Bonds to be includable in gross income of the beneficial owners thereof for Federal income tax purposes.

Section 6.03 **Covenant as to Encumbrances.** The Corporation covenants that, so long as any of the Bonds remain outstanding, it shall not hereafter create or suffer to be created any assignment, pledge, mortgage, hypothecation or lien on the Facilities, its interest in the Facilities Lease or any Base Rental under any circumstances, except for Permitted Encumbrances.

Section 6.04 **Covenants, Representations and Warranties Relating to Federal Income Taxation.** The Corporation covenants that it shall make such use of the proceeds of the Bonds, regulate investment of proceeds thereof and take such other and further actions as may be required by the Code and applicable temporary, proposed and final regulations and procedures, necessary to assure that interest on the Series 2004A Bonds and Series 2004B Bonds is excludable from gross income for federal income tax purposes. Without limiting the generality

of the foregoing covenant, the Corporation hereby covenants, represents and warrants, as follows:

(a) The Corporation will not take, fail to take or permit the commission of any action within its control necessary to be taken in order that interest on the Series 2004A Bonds and Series 2004B Bonds will continue to be excludable from gross income for federal income tax purposes;

(b) The Corporation will preserve its status as an organization described in Section 501(c)(3) of the Code or corresponding provisions of prior law and to not be determined to be a private foundation as defined in Section 509 of said Code; the Corporation shall not perform any act or enter into any agreement which shall adversely affect its ability to obtain such federal income tax status; the Corporation shall not perform any act, enter into any agreement or use or permit any property of the Corporation to be used in any manner (including any unrelated trade or business) which could adversely affect the exclusion from gross income of interest on the Series 2004A Bonds or Series 2004B Bonds for federal income tax purposes pursuant to Section 103 of the Code; the Corporation shall not carry on or permit to be carried on in any property of the Corporation or permit any property of the Corporation to be used in or for any trade or business to the extent that such use of such property would adversely affect the exclusion from gross income of interest on the Series 2004A Bonds and Series 2004B Bonds for federal income tax purposes; and the Corporation is duly organized and existing as a nonprofit corporation under the laws of the State of Louisiana and it will maintain, extend and renew its corporate existence under the laws of the State of Louisiana and will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted;

(c) The Corporation will assist the Issuer in preparing Form 8038G to be filed pursuant to Section 149(e) of the Code.

(d) The average term of the Series 2004A Bonds and Series 2004B Bonds, calculated in proportion to the "issue price" (as defined in Section 1273 of the Code) of the bonds of each stated maturity of such Series 2004A Bonds and Series 2004B Bonds, will not exceed 120% of the average reasonably expected economic life of the Facilities financed with the proceeds of the Series 2004A Bonds and Series 2004B Bonds or the investment earnings thereon, weighted in proportion to the respective cost of each item comprising the Facilities financed with the proceeds of such Series 2004A Bonds and Series 2004B Bonds. For purposes of the preceding sentence, the reasonably expected economic life of property shall be determined as of the later of (i) the date on which the Series 2004A Bonds and Series 2004B Bonds are issued or (ii) the date on which such property is placed in service (or expected to be placed in service);

(e) The Corporation will not cause the Series 2004A Bonds or Series 2004B Bonds to be treated as "federally guaranteed" obligations within the

meaning of Section 149(b) of the Code (as may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to "federally guaranteed" obligations described in Section 149(b) of the Code);

(f) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Series 2004A Bonds and Series 2004B Bonds are delivered, the Corporation reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Series 2004A Bonds or Series 2004B Bonds or any portion thereof to be an "arbitrage bond" within the meaning of Section 148 of the Code;

(g) As provided in Article V hereof, the Corporation will monitor the yield on the investment of the proceeds of the Series 2004A Bonds and Series 2004B Bonds and moneys pledged to the repayment of the Series 2004A Bonds or Series 2004B Bonds, other than amounts not subject to yield restriction and will restrict the yield on such investments to the extent required by the Code;

(h) The Corporation (or any "related person," within the meaning of the Code) shall not, pursuant to an arrangement, formal or informal, purchase the Bonds in an amount related to the principal amounts advanced to the Corporation pursuant to this Agreement; and

(i) The Corporation agrees to comply with all the terms and provisions of the Tax Regulatory Agreement executed in connection with the issuance and sale of the Series 2004A Bonds and Series 2004B Bonds, and to perform the covenants and duties imposed on it contained therein.

All officers, employees and agents of the Corporation are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Corporation as of the date the Series 2004A Bonds and Series 2004B Bonds are delivered. In complying with the foregoing covenants, the Corporation may rely from time to time upon an opinion issued by Bond Counsel to the effect that any action by the Corporation or reliance upon any interpretation of the Code contained in such opinion will not cause interest on the Series 2004A Bonds and Series 2004B Bonds to be includable in gross income for federal income tax purposes under existing law.

Section 6.05 **Information**. The Corporation agrees, whenever reasonably requested by the Issuer, the Bond Insurer or the Trustee, to provide and certify or cause to be provided and certified such information concerning the Properties, the Facilities, the Corporation, its finances, and other topics as the Issuer, the Bond Insurer or Trustee, as the case may be, considers necessary to enable counsel to the Issuer, the Bond Insurer or the Trustee, as the case may be, to issue its opinions and otherwise advise the Issuer, the Bond Insurer or the Trustee, as the case may be, as to the transaction or the legal capacity of the parties to enter into the same, or to enable it to make any reports required by law, governmental regulation or the Indenture. When

any such information is provided by the Corporation pursuant to this Section 6.05 the Corporation shall provide such information to the Issuer, the Bond Insurer and the Trustee. The Bond Insurer shall have the right to inspect and make copies of all books and records of the Corporation, the Trustee and the Issuer.

Section 6.06 **Source of Payments**. The Corporation agrees to pay or cause to be paid the payments required by this Agreement solely from the Base Rental in the manner and at the times provided by this Agreement.

Section 6.07 **Insurance**. The Corporation shall or it shall cause the Board to maintain insurance covering such risks and in such amounts as is required by Section 9 of the Facilities Lease, the provisions of which are incorporated herein by reference.

Insurance proceeds and condemnation awards shall be applied in accordance with the Indenture and the Corporation shall be obligated to repair or restore the Facilities upon a casualty or an Expropriation to the extent provided therein.

Section 6.08 **Annual Reports**. Annually, within one hundred eighty (180) days from the end of each Fiscal Year, the Corporation will have made a complete audit of its records and accounts by an independent certified public accountant. A signed counterpart of its audited financial statements shall be furnished to the Issuer, the Bond Insurer and the Trustee, and a copy thereof shall be furnished by the Corporation to any Bondholder who requests the same in writing.

Any independent accountant which audits and reports on the Corporation's financial statements or provides any certificate, report or opinion under the Indenture, this Agreement or the Mortgage shall be (i) a nationally recognized firm of independent certified public accountants or (ii) shall otherwise be acceptable to the Bond Insurer.

Section 6.09 **Merger or Consolidation**. The Corporation shall not merge into, or consolidate with, one or more corporations, or allow one or more of such corporations to merge into it, or sell or convey all or substantially all of its assets to any person or entity or acquire all or substantially all of the assets of any person or entity (any such merger, consolidation, sale, conveyance or acquisition being referred to as a "Merger"), unless it has obtained the prior written consent of the Bond Insurer and:

- (a) Any successor corporation to the Corporation (including, without limitation, any purchaser of all or substantially all the Properties of the Corporation (the "Successor Corporation") is a 501(c)(3) corporation organized and existing under the laws of the United States of America or a state thereof and shall execute and deliver to the Trustee an appropriate instrument, satisfactory to the Bond Insurer, the Issuer and the Trustee, containing the agreement of such successor corporation to assume, jointly and severally and in solido, the due and punctual payment of the principal of, premium, if any, and interest on all obligations of the Corporation (including, without limitation, the Bonds) according to their tenor and the due and punctual performance and observance of all the covenants and conditions of the Indenture, this Agreement and the

Mortgage to be kept and performed by the Corporation, accompanied by an opinion of counsel as to the validity and enforceability of such assumption (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Bond Insurer, the Issuer and the Trustee);

(b) Immediately after such Merger, there would not be a default in the performance or observance of any covenant or condition of the Indenture, this Agreement, the Ground Lease, the Facilities Lease and the Mortgage; and

(c) There shall be delivered to the Bond Insurer, the Issuer and the Trustee an opinion of Bond Counsel (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Bond Insurer and the Trustee) to the effect that under existing laws the consummation of such Merger, whether or not contemplated on the original date of delivery of the Series 2004A Bonds and Series 2004B Bonds, would not adversely affect the validity of the Series 2004 Bonds or the exclusion otherwise available from gross income of interest on the Series 2004A Bonds and Series 2004B Bonds for federal or state income tax purposes.

In case of any such Merger and upon any such assumption by the Successor Corporation, the Successor Corporation shall succeed to and be substituted for its predecessor, with the same effect as if it had been named in the Indenture, this Agreement or the Mortgage as the Corporation.

Section 6.10 **Disposition of Assets.** The Corporation covenants that, so long as any of the Bonds remain outstanding, it shall not hereafter alienate its interest in the Facilities, the Ground Lease or the Facilities Lease or enter into any termination of, or amendment to, the Facilities Lease or the Ground Lease without the prior written consent of the Bond Insurer.

Section 6.11 **Debt Service Coverage Ratios.** The Corporation shall or it shall cause the Board to maintain a Debt Service Coverage Ratio for the Facilities as provided in Section 3 (h) of the Facilities Lease, the provisions of which, including the applicable cure and default provisions, are incorporated herein by reference.

Section 6.12 **Bond Hedges.** Other than the Auction Rate Bonds, the Bonds shall bear interest at a fixed rate and neither the Issuer nor the Corporation shall enter into any swap agreements, payment exchange agreements, forward purchase agreements or any other agreement providing for payments between parties based on levels of or changes in interest rates including, without limitation, interest rate floors or caps, options, puts or calls, which allow the Corporation to manage or hedge payment, rate, spread or similar risk with respect to any Bonds without the prior written consent of the Bond Insurer.

ARTICLE VII ASSIGNMENT

Section 7.01 **Assignment of this Agreement.** With the consent of the Bond Insurer, the rights of the Corporation under this Agreement may be assigned as a whole or in part but no such assignment shall constitute a release of the Corporation from its obligations hereunder.

Each transferee of the Corporation's interest in this Agreement shall assume the obligations of the Corporation hereunder to the extent of the interest assigned, sold or leased, and the Corporation shall, not more than sixty (60) nor less than thirty (30) days prior to the effective date of any such assignment or lease, furnish or cause to be furnished to the Issuer, the Bond Insurer and the Trustee a true and complete copy of each such assignment or lease.

Section 7.02 **Restrictions on Transfer of Issuer's Rights.** The Issuer agrees that, except for the assignment of certain of its rights, title and interest under this Agreement (including its rights to receive payments to be made hereunder) to the Trustee pursuant to the Indenture, it will not during the term of this Agreement sell, assign, transfer or convey its interests in this Agreement except pursuant to the Indenture and as hereinafter in Section 7.03 provided.

Section 7.03 **Assignment by the Issuer.** It is understood, agreed and acknowledged that the Issuer will assign to the Trustee pursuant to the Indenture certain of its rights, title and interests in and to this Agreement (reserving its rights, however, pursuant to sections of this Agreement providing that notices, reports and other statements be given to the Issuer and also reserving its rights to reimbursement and payment of costs and expenses under Sections 4.02 and 9.05 hereof, its rights to indemnification under Section 6.01(g) hereof and its individual and corporate rights to exemption from liability under Section 10.12 hereof), and the Corporation hereby assents to such assignment and pledge.

**ARTICLE VIII
SUPPLEMENTS AND AMENDMENTS**

Section 8.01 **Amendment to Agreement Without Consent**. The Issuer and the Corporation, with the consent of the Bond Insurer but without the consent of the owners of any of the Bonds outstanding under the Indenture, may enter into supplements to this Agreement which shall not be inconsistent with the terms and provisions hereof for any of the purposes heretofore specifically authorized in this Agreement or the Indenture, and in addition thereto for the following purposes:

- (a) To cure any ambiguity or formal defect, inconsistency or omission in this Agreement or to clarify matters or questions arising hereunder;
- (b) To add covenants and agreements for the purpose of further securing the obligations of the Corporation hereunder;
- (c) To confirm as further assurance any mortgage or pledge of additional property, revenues, securities or funds;
- (d) To conform the provisions of this Agreement in connection with the provisions of any supplements or amendments to the Indenture entered into pursuant to the provisions of Section 10.1 thereof;
- (e) To provide any other modifications which, in the sole judgment of the Trustee, are not prejudicial to the interests of the Bondholders; or
- (f) to conform the covenants and provisions of the Corporation contained herein to any different financial statement presentation required by the Financial Accounting Standard Board which is different than the presentation required as of the date of issuance of the Bonds, so long as the effect of such conformed covenants and provisions is substantially identical to the effect of the covenants and provisions as in effect on the date of issuance of the Bonds.

Section 8.02 **Amendment to Agreement Upon Approval of a Majority of Bondholders**. The provisions of this Agreement may be amended in any particular with the written consent of the Bond Insurer and the owners of not less than a majority of the aggregate principal amount of Bonds then Outstanding; provided, however, that no such amendment may be adopted which decreases the percentage of owners of Bonds required to approve an amendment, or which permits a change in the date of payment of the principal or interest on any Bonds or of any redemption price thereof or the rate of interest thereon without the consent of the owners of all of the aggregate principal amount of the Bonds then Outstanding.

If at any time the Issuer and the Corporation shall request the Trustee to consent to a proposed amendment for any of the purposes of this Section 8.02, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such proposed amendment to be given in the manner required by the Indenture to redeem Bonds. Such notice shall briefly set forth the nature of the proposed amendment and shall state that

copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within ninety (90) days or such longer period as shall be prescribed by the Issuer, as advised by the Corporation, following such notice, the owners of not less than a majority in aggregate principal amount of the Bonds outstanding at the time of the execution of any such proposed amendment shall have consented to and approved the execution thereof as herein provided, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Corporation or the Issuer from executing or approving the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such proposed amendment as in this Section permitted and provided, this Agreement shall be and be deemed to be modified and amended in accordance therewith.

Section 8.03 Amendments to Facilities Lease or the Ground Lease Not Requiring Owner Consent. Subject to the terms and provisions of Section 8.05 and 8.07 of this Agreement, with the written consent of the Bond Insurer, the Facilities Lease or the Ground Lease may be amended or modified in any manner not inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes: (1) to cure any ambiguity or formal defect or omission in the Facilities Lease or the Ground Lease which does not have an adverse effect upon the interest of the Owners; (2) to grant to or confer upon the Issuer or the Trustee, for the benefit of the Owners, any additional rights, remedies, powers or authorities that lawfully may be granted to or conferred upon the Issuer or the Trustee; (3) to more clearly identify the Facilities or to add to or subtract from the Facilities any property; (4) to amend or modify the Facilities Lease or the Ground Lease in any manner specifically required or permitted by the terms thereof, including as may be necessary to maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes; (5) to make any amendment or modification required as a condition to obtaining any rating by Moody's or S&P with respect to the Bonds; (6) to make any amendment or modification required as a condition to the issuance of the Bond Insurance Policy; and (7) to amend or modify the Facilities Lease or the Ground Lease in any other manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Bonds, the Bond Insurer or the Trustee and which does not involve a change described in Section 8.05 hereof.

Section 8.04 Amendments to the Facilities Lease or the Ground Lease Requiring Owner Consent. Exclusive of amendments and modifications covered by Section 8.03 hereof, the Facilities Lease or the Ground Lease may be amended or modified only as provided in Section 8.04 and 8.05 of this Agreement. Subject to the terms and provisions contained in Section 8.05 of this Agreement, the Bond Insurer, the Issuer and the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Agreement to the contrary notwithstanding, to consent to and approve the amendment or modification of the Facilities Lease or the Ground Lease. If at any time there is a proposed amendment or modification to the Facilities Lease or the Ground Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such modification or amendment to be mailed to the Bond Insurer and to each of the owners of the Bonds at the address indicated on the registration books of the Trustee. Such notice shall briefly set forth the nature of the proposed amendment or modification and shall state that copies thereof are on file at the principal office of the Trustee for inspection by all Bond owners. If, within sixty (60) days, or such longer period as shall be

prescribed by the Issuer, as advised by the Corporation, following the mailing of such notice, the owners of the requisite percentage in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such amendment or modification shall have consented to and approved the execution thereof as herein provided, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof; or to enjoin or restrain the parties thereto from executing the same or from taking any action pursuant to the provisions hereof.

Section 8.05 **Consent Required Under Certain Circumstances for Amendment of Facilities Lease or Ground Lease.** Nothing contained in Sections 8.03 and 8.04 of this Agreement shall permit, or be construed as permitting, without the approval and consent of the Bond Insurer and all of the owners of the Bonds, (1) a reduction in the amount of, or the extension of the time for, any payment of Base Rental due under the Facilities Lease or any amount due under the Bond Insurance Policy; or (2) the termination of the Facilities Lease or the Ground Lease prior to the expiration of their stated term.

Section 8.06 **Opinion Required for Amendment of Facilities Lease or Ground Lease.** Anything to the contrary herein notwithstanding, no amendment or modification of the Facilities Lease or the Ground Lease shall become effective unless and until the Trustee has been provided with an opinion of Bond Counsel to the effect that such amendment or modification will not have an adverse effect upon the validity of the Bonds and to the effect that such amendment or modification will maintain the exclusion from gross income of interest on the Series 2004A Bonds and Series 2004B Bonds for federal income tax purposes.

Section 8.07 **Consent of the Board.** Anything herein to the contrary notwithstanding, an amendment to the Facilities Lease or the Ground Lease under this Article VIII shall not become effective unless and until the Board shall have consented to the execution and delivery of such amendment to the Facilities Lease or the Ground Lease, unless an Event of Default has occurred and is continuing, and no amendment to the Facilities Lease or the Ground Lease shall not be effective without the prior written consent of the Board that would affect the date or amounts of payments required on the Bonds or required under the Facilities Lease.

Section 8.08 **Filing.** Copies of any such supplement or amendment to this Agreement, the Ground Lease or the Facilities Lease shall be filed with the Trustee and delivered to the Issuer and the Corporation before such supplement or amendment may become effective.

Section 8.09 **Reliance on Counsel.** The Issuer and the Trustee shall be entitled to receive, and shall be fully protected in relying upon the opinion of counsel satisfactory to the Trustee, who may be counsel for the Issuer, as conclusive evidence that any such proposed supplement or amendment to this Agreement, the Ground Lease or the Facilities Lease complies with the provisions of this Agreement and the Indenture and that it is proper for the Issuer and the Trustee under the provisions of this Article to execute or approve such supplement or amendment.

Section 8.10 **Notice to Rating Agencies and Bond Insurer.** No supplemental agreement or amendment to this Agreement, the Ground Lease or the Facilities Lease shall be executed and delivered pursuant hereto without prior written notice having been given by the

Corporation to the Bond Insurer and Standard & Poor's Ratings Group (Attention: Bond Insurance Administration) of the Corporation's intention to execute such supplemental agreement or amendment thereof not less than fifteen (15) days in advance of the execution of said supplemental agreement or amendment. The Corporation shall provide the Bond Insurer a full transcript of all proceedings relative to said supplemental agreement or amendment.

ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES

Section 9.01 **Events of Default Defined.** The terms "Event of Default" and "Default" shall mean any one or more of the following events:

(a) The Corporation shall default in the timely payment of any Payment pursuant to Article IV of this Agreement.

(b) An Event of Default shall exist under the Indenture, the Mortgage, the Facilities Lease or the Tax Regulatory Agreement.

(c) The termination of the Facilities Lease.

(d) The Corporation shall fail duly to perform, observe or comply with any other covenant, condition or agreement on its part under this Agreement (other than a failure to make any payment required under this Agreement), and such failure continues for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Corporation by the Trustee; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such thirty (30) day period, no Event of Default shall be deemed to have occurred or to exist if, and so long as the Corporation shall commence such performance, observation or compliance within such period and shall diligently and continuously prosecute the same to completion.

(e) The entry of a decree or order by a court having jurisdiction in the premises adjudging the Corporation a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Corporation under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(f) The institution by the Corporation of proceedings to be adjudicated bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the United States Bankruptcy Code or any other similar applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

Section 9.02 **Remedies.** Whenever any Event of Default under Section 9.01 hereof shall have happened and be continuing, any one or more of the following remedial steps may be taken with the consent of the Bond Insurer and shall be taken at the direction of the Bond Insurer:

(a) The Issuer or the Trustee may declare all installments of Payments under Section 4.02 hereof to be immediately due and payable, whereupon the same shall become immediately due and payable;

(b) The Issuer or the Trustee may take whatever action at law or in equity may appear necessary or desirable to collect the Payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Corporation under this Agreement;

(c) The Issuer or the Trustee may have access to and inspect, examine and make copies of any and all books, accounts and records of the Corporation;

(d) The Issuer or the Trustee (or the owners of the Bonds in the circumstances permitted by the Indenture) may exercise any option and pursue any remedy provided by the Indenture; and/or

(e) The Trustee may foreclose the lien of the Mortgage.

Section 9.03 **No Remedy Exclusive; Selective Enforcement.** No remedy conferred upon or reserved to the Issuer or the Trustee by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement and as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any event of nonperformance shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. In the event the Issuer or the Trustee shall elect to selectively and successively enforce its rights under this Agreement, such action shall not be deemed a waiver or discharge of any other lien, encumbrance or security interest securing payment of the indebtedness secured hereby or thereby until such time that it shall have been paid in full all sums secured hereunder and thereunder. The foreclosure of any lien provided pursuant to this Agreement without the simultaneous foreclosure of all such liens shall not merge the liens granted which are not foreclosed with any interest which the Issuer or the Trustee might obtain as a result of such selective and successive foreclosure.

Section 9.04 **Indenture Overriding.** All of the provisions of this Article are subject to and subordinate to the rights and remedies of the Bond Insurer, the Bondholders and the Trustee pursuant to the Indenture. The Issuer shall have no power to waive any event of default hereunder, except with respect to indemnification and its administrative payments, without the consent of the Trustee and the Bond Insurer to such waiver.

Section 9.05 **Agreement to Pay Attorneys' Fees and Expenses.** In any Event of Default, if the Issuer or the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Corporation herein contained, whether or not such suit is commenced, the Corporation agrees that it will on demand therefor pay to the Issuer or the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer or the Trustee.

Section 9.06 **Issuer and Corporation to Give Notice of Default.** The Issuer and the Corporation severally covenant that they will, at the expense of the Corporation, promptly give to the Trustee written notice of any Event of Default under this Agreement of which they shall have actual knowledge or written notice, but the Issuer shall not be liable (except as provided in Section 6.01(c) hereof) for failing to give such notice.

Section 9.07 **Correlative Waivers.** If an Event of Default under Section 8.2 of the Indenture shall be cured or waived and any remedial action by the Trustee rescinded, any correlative default under this Agreement shall be deemed to have been cured or waived.

**ARTICLE X
MISCELLANEOUS**

Section 10.01 **References to the Bonds Ineffective After Bonds Paid.** Upon payment of the Bonds, all references in this Agreement to the Bondholders shall be ineffective and the Issuer and any holder of the Bonds shall not thereafter have any rights hereunder, excepting those that shall have theretofore vested.

Section 10.02 **Amounts Remaining in Funds.** It is agreed by the parties hereto that any amounts remaining in the funds and accounts existing pursuant to the Indenture upon the expiration or sooner cancellation or termination of this Agreement, as provided herein, after payment in full of all Bonds then outstanding under the Indenture (or provisions for payment thereof having been made in accordance with the provisions of the Indenture), and the fees, charges and expenses of the Issuer and the Trustee and all other amounts required to be paid hereunder and under the Indenture (other than amounts payable as arbitrage rebate pursuant to the Code) and payment of amounts due under the Reimbursement Agreement, shall belong to and be paid to the University.

Section 10.03 **Notices.** All notices demands and requests to be given or made hereunder to or by the Issuer, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

- | | |
|-------------------------|--|
| If to the Issuer: | Louisiana Local Government Environmental Facilities and Community Development Authority 8712 Jefferson Highway, Suite A Baton Rouge, Louisiana 70809 Attention: Executive Director |
| If to the Corporation: | University Facilities, Inc. SLU Box 10709 Hammond, Louisiana 70402 Attention: Executive Director |
| If to the Trustee: | The Bank of New York Trust Company, N.A. 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Corporate Trust Department |
| If to the Bond Insurer: | MBIA Insurance Corporation 113 King Street Armonk, New York 10504 Attention: Insured Portfolio Management |

Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The Corporation, the Issuer and the Trustee may, by notice given hereunder, designate any further or different addresses, counsel or counsel addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 10.04 **Binding Effect**. This Agreement shall inure to the benefit and shall be binding upon the Issuer, the Corporation and their respective successors and assigns, subject to the limitation that any obligation of the Issuer created by or arising out of this Agreement shall not be a general debt of the Issuer, but shall be payable solely out of the proceeds derived from this Agreement and the sale of the Bonds under the Indenture.

Section 10.05 **Performance on Legal Holidays**. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption or purchase of any Bonds or the date fixed for the giving of notice or the taking of any action under the Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the giving of such notice or the taking of such action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

Section 10.06 **Execution in Counterparts**. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument; provided, however, that upon the assignment and pledge to the Trustee provided for in Section 3.02 hereof, the Issuer shall deliver to the Trustee an executed counterpart of this Agreement which executed counterpart shall be deemed to be collateral of which the Trustee has taken possession and no other counterpart shall be deemed to be collateral for any other purpose.

Section 10.07 **Applicable Law**. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 10.08 **Severability**. If any clause, provision or Section of this Agreement be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Agreement be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Issuer or the Corporation, as the case may be, only to the extent permitted by law.

Section 10.09 **Captions**. The table of contents, captions or headings of the several articles and sections of this Agreement are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Agreement.

Section 10.10 **Consents and Approvals**. Whenever the consent or approval of the Issuer, the Corporation or the Trustee shall be required under the provisions of this Agreement, such consent or approval shall not be unreasonably withheld or delayed.

Section 10.11 **Third Party Beneficiaries**. It is specifically agreed between the parties executing this Agreement that it is not intended by any of the provisions of any part of this Agreement to make the public or any member thereof, other than the Trustee and the Bond Insurer and except as expressly provided herein or as contemplated in the Indenture, a third party beneficiary hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement. The duties, obligations and responsibilities, if any, of the parties to this Agreement with respect to third parties shall remain as imposed by law.

Section 10.12 **Exculpatory Provision**. In the exercise of the powers of the Issuer, the Trustee and their respective trustees, directors, officers, employees and agents (each, an "Indemnified Party") under this Agreement, each Indemnified Party shall not be accountable or liable to the Corporation (i) for any actions taken or omitted by such Indemnified Party in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them (other than the negligence or willful misconduct of such Indemnified Party), or (ii) for any claims based on this Agreement against any such Indemnified Party, all such liability, if any, being expressly waived by the Corporation by the execution of this Agreement. The Corporation shall indemnify and hold harmless each Indemnified Party against any claim or liability based on the foregoing asserted by any other person.

In case any action shall be brought against an Indemnified Party in respect of which indemnity may be sought against the Corporation, such Indemnified Party shall promptly notify the Corporation in writing and the Corporation shall assume the defense thereof, including the employment of counsel of the Corporation's choice and the payment of all expenses. Such Indemnified Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party unless the employment of such counsel has been authorized by the Corporation. The Corporation shall not be liable for any settlement of any such action without its consent but if any such action is settled with the consent of the Corporation or if there be final judgment for the plaintiff of any such action, the Corporation agrees to indemnify and hold harmless such Indemnified Party from and against any loss or liability by reason of such settlement or judgment.

Section 10.13 **Accounts and Audits**. The Issuer shall cause the Trustee to keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Bonds.

Section 10.14 **Reliance**. It is expressly understood and agreed by the parties to this Agreement that:

- (a) the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Issuer by the Trustee, any

Bondholder or the Corporation as to the existence of a fact or state of affairs required under this Agreement to be noticed by the Issuer;

(b) the Issuer shall not be under any obligation to perform any recordkeeping or to provide any legal service, it being understood that such services shall be performed or caused to be performed by the Trustee or the Corporation; and

(c) none of the provisions of this Agreement or the Mortgage shall require the Issuer to expend or risk its own funds (apart from the proceeds of Bonds issued under the Indenture) or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights under this Agreement or the Mortgage unless it first shall have been adequately indemnified to its satisfaction against the costs, expenses and liabilities which may be incurred by taking any such action.

Section 10.15 **Issuer Not Liable**. Notwithstanding any other provision of this Agreement, the Indenture, the Mortgage, the Bond Purchase Agreement or the Tax Regulatory Agreement, (a) the Issuer shall not be required to take action under this Agreement, the Indenture, the Mortgage, the Bond Purchase Agreement or the Tax Regulatory Agreement unless the Issuer (i) is requested in writing by an appropriate Person to take such action; and (ii) is assured of payment of or reimbursement for any expense incurred in taking such action, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Issuer nor any official, officer, member, director, agent, employee or servant of the Issuer shall be liable to the Corporation, the Trustee or any other Person for any action taken by the Issuer or by its officials, officers, members, directors, agents, employees, or servants, or for any failure to take action under this Agreement, the Indenture, the Mortgage, the Bond Purchase Agreement, or the Tax Regulatory Agreement. In acting or in refraining from acting under this Agreement, the Indenture, the Mortgage, the Bond Purchase Agreement or the Tax Regulatory Agreement, the Issuer may conclusively rely on the advice of its counsel.

Section 10.16 **No Violations of Law**. Any other term or provision in this Agreement to the contrary notwithstanding:

(a) In no event shall this Agreement be construed as:

(1) depriving the Issuer of any right or privilege; or

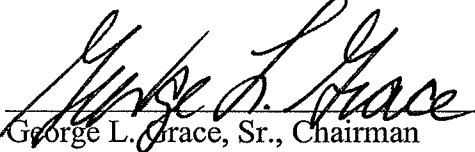
(2) requiring the Issuer or any member, agent, employee, representative or advisor of the Issuer to take or omit to take, or to permit or suffer the taking of, any action by itself or by anyone else;

which deprivation or requirement would violate, or result in the Issuer's being in violation of the Act or any other applicable state or federal law; and

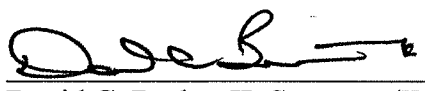
(b) At no time and in no event will the Corporation permit, suffer or allow any of the proceeds of this Agreement or the Bonds to be transferred to any Person in violation of, or to be used in any manner that is prohibited by, the Act or any other state or federal law.

IN WITNESS WHEREOF, the Issuer has caused this Agreement to be executed by its Chairman or Vice Chairman and has caused the seal of the Issuer to be affixed hereto and attested by its Secretary/Treasurer and the Corporation has caused this Agreement to be executed in its behalf by its Chairman all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: 
George L. Grace, Sr., Chairman

ATTEST:


By: 
David C. Butler, II, Secretary/Treasurer

[SEAL]

WITNESSES:




UNIVERSITY FACILITIES, INC.

By: 

WITNESSES:




**EXHIBIT A
TO THE LOAN AGREEMENT**

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

- a. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
- b. Hazardous materials abatement and demolition of Lee Hall.
- c. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - a. Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

(d) Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardiplank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

**EXHIBIT B
TO THE LOAN AGREEMENT**

PERMITTED ENCUMBRANCES

1. Amended and Restated Ground Lease Agreement dated July 27, 2000 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the 11.28 acre tract described as Tract 2 in Exhibit B to the Ground Lease and the portion of the Facilities located thereon.
2. Amended and Restated Agreement to Lease with Option to Purchase dated July 27, 2000 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the 11.28 acre tract described as Tract 2 in Exhibit B to the Ground Lease and the portion of the Facilities located thereon.
3. Assignment of Leases and Rents dated July 27, 2000 by and between University Facilities, Inc., as assignor, and Hibernia National Bank, as assignee, relating to all leases and rents from the portion of the Facilities located on the 11.28 acre tract described as Tract 2 in Exhibit B to the Ground Lease.

THIRD SUPPLEMENTAL
GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessor)

and

UNIVERSITY FACILITIES, INC.
(as Lessee)

Dated as of November 1, 2013

in connection with:

\$40,910,000

Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000

Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

AND

\$5,545,000

Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000

Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| ARTICLE I LEASE OF PROPERTY - TERMS OF GROUND LEASE | 3 |
| Section 1.01 <u>Lease of Land</u> | 3 |
| Section 1.02 <u>Habendum</u> | 3 |
| Section 1.03 <u>Term</u> | 3 |
| ARTICLE II DEFINITIONS | 3 |
| Section 2.01 <u>Definitions</u> | 3 |
| ARTICLE III RENT | 7 |
| Section 3.01 <u>Rent</u> | 7 |
| Section 3.02 <u>Additional Obligations</u> | 7 |
| ARTICLE IV USE OF LAND | 8 |
| Section 4.01 <u>Purpose of Lease</u> | 8 |
| Section 4.02 <u>Benefit of the Board and the University</u> | 8 |
| Section 4.03 <u>Data and Voice Communication Systems</u> | 8 |
| Section 4.04 <u>Compliance with Statutory Requirements</u> | 8 |
| ARTICLE V RESERVED | 8 |
| ARTICLE VI ENCUMBRANCES | 8 |
| Section 6.01 <u>Mortgage of Leasehold or the Facilities</u> | 8 |
| ARTICLE VII MAINTENANCE AND REPAIR | 9 |
| Section 7.01 <u>Maintenance, Repairs and Renovations</u> | 9 |
| ARTICLE VIII CERTAIN LIENS PROHIBITED | 9 |
| Section 8.01 <u>No Mechanics' Liens</u> | 9 |
| Section 8.02 <u>Release of Recorded Liens</u> | 9 |
| Section 8.03 <u>Memorandum of Recitals</u> | 9 |
| ARTICLE IX OPERATION AND MANAGEMENT OF FACILITIES | 10 |
| Section 9.01 <u>Management of Facilities and the Stadium Expansion</u> | 10 |
| Section 9.02 <u>Books and Records</u> | 10 |
| Section 9.03 <u>Audits</u> | 10 |
| ARTICLE X INDEMNIFICATION | 10 |
| Section 10.17 <u>Indemnification by the Corporation</u> | 10 |
| Section 10.18 <u>Contributory Acts</u> | 10 |
| ARTICLE XI TERMINATION, DEFAULT AND REMEDIES | 10 |
| Section 11.01 <u>Events Of Default</u> | 10 |
| Section 11.02 <u>The Board's Rights Upon Default</u> | 11 |
| Section 11.03 <u>Termination of Right of Occupancy</u> | 11 |
| Section 11.04 <u>Rights of The Board Cumulative</u> | 12 |
| ARTICLE XII TITLE TO THE FACILITIES | 12 |

| | | |
|---|---|----|
| Section 12.01 | <u>Title to Facilities.</u> | 12 |
| Section 12.02 | <u>The Board's Option to Require Demolition.</u> | 12 |
| Section 12.03 | <u>Termination of Facilities Lease.</u> | 12 |
| Section 12.04 | <u>Insurance Proceeds.</u> | 12 |
| Section 12.05 | <u>Condemnation, Casualty and Other Damage.</u> | 13 |
| ARTICLE XIII CONDEMNATION | | 13 |
| Section 13.01 | <u>Condemnation.</u> | 13 |
| Section 13.02 | <u>Partial Condemnation if Facilities Lease is No Longer in Effect.</u> | 13 |
| Section 13.03 | <u>Partial or Total Condemnation if Facilities Lease is in Effect.</u> | 13 |
| Section 13.04 | <u>Payment of Awards - If Facilities Lease is in Effect.</u> | 13 |
| Section 13.05 | <u>Payment of Awards - If Facilities Lease is not in Effect.</u> | 14 |
| Section 13.06 | <u>Bond Documents Control.</u> | 14 |
| ARTICLE XIV ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE CORPORATION'S INTEREST | | 14 |
| Section 14.01 | <u>Assignment of Leasehold Interest.</u> | 14 |
| Section 14.02 | <u>Subletting.</u> | 14 |
| Section 14.03 | <u>Transfers of the Corporation's Interest.</u> | 14 |
| ARTICLE XV COMPLIANCE CERTIFICATES | | 14 |
| Section 15.01 | <u>The Corporation's Compliance.</u> | 14 |
| Section 15.02 | <u>The Board's Compliance.</u> | 15 |
| ARTICLE XVI TAXES AND LICENSES | | 15 |
| Section 16.01 | <u>Payment of Taxes.</u> | 15 |
| Section 16.02 | <u>Contested Tax Payments.</u> | 15 |
| ARTICLE XVII FORCE MAJEURE | | 15 |
| Section 17.01 | <u>Discontinuance During Force Majeure.</u> | 15 |
| ARTICLE XVIII MISCELLANEOUS | | 16 |
| Section 18.01 | <u>Nondiscrimination, Employment and Wages.</u> | 16 |
| Section 18.02 | <u>Notices.</u> | 16 |
| Section 18.03 | <u>Relationship of Parties.</u> | 17 |
| Section 18.04 | <u>Memorandum of Lease.</u> | 17 |
| Section 18.05 | <u>Attorney's Fees.</u> | 17 |
| Section 18.06 | <u>Louisiana Law to Apply.</u> | 17 |
| Section 18.07 | <u>Warranty of Peaceful Possession.</u> | 17 |
| Section 18.08 | <u>Curative Matters.</u> | 18 |
| Section 18.09 | <u>Nonwaiver.</u> | 18 |
| Section 18.10 | <u>Terminology.</u> | 18 |
| Section 18.11 | <u>Counterparts.</u> | 18 |
| Section 18.12 | <u>Severability.</u> | 18 |
| Section 18.13 | <u>Authorization.</u> | 18 |
| Section 18.14 | <u>Ancillary Agreements.</u> | 18 |
| Section 18.15 | <u>Amendment.</u> | 19 |
| Section 18.16 | <u>Successors and Assigns.</u> | 19 |
| Section 18.17 | <u>Entire Agreement.</u> | 19 |

EXHIBIT A – LAND DESCRIPTION

EXHIBIT B – PERMITTED ENCUMBRANCES
EXHIBIT C – MEMORANDUM OF GROUND LEASE
EXHIBIT D – DESCRIPTION OF THE FACILITIES

THIRD SUPPLEMENTAL
GROUND AND BUILDINGS LEASE AGREEMENT

This THIRD SUPPLEMENTAL GROUND AND BUILDINGS LEASE AGREEMENT (together with any amendment hereto or supplement hereof, the “*Ground Lease*”) dated as of November 1, 2013, is entered into by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the “*Board*”), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the “*University*”), which Board is represented herein by John L. Crain, President of the University and Authorized Board Representative, duly authorized, and UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by Joseph Morris, its Executive Director (the “*Corporation*”) and supplements and amends that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (collectively, the “*Prior Ground Lease*”).

WITNESSETH

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private non-profit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University (the “*Campus*”) provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Board;

WHEREAS, in order to further these functions of the Board, by development of housing and related facilities for students, faculty and staff on the Campus, the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such student housing and related facilities and leasing such facilities back to the Board;

WHEREAS, pursuant to the Prior Ground Lease, the Board leased certain property (the “*Property*”) to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further amended by that certain Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (collectively, the “*Prior Facilities Lease*”) each between the Corporation and the Board;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the “*Trustee*”), dated as of August 1, 2004 (the “*Series 2004 Indenture*”), the Issuer issued its

\$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and, together with the Series 2004A Bonds, the “*Series 2004 Bonds*”);

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the “*Series 2004 Loan Agreement*”), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Series 2004 Facilities*”), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a Debt Service Reserve Fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the “*Series 2007 Indenture*”), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the “*Series 2007A Bonds*”) and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the “*Series 2007B Bonds*”) and, together with the Series 2007A Bonds, the “*Series 2007 Bonds*”);

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the “*Series 2007 Loan Agreement*”), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Series 2007 Facilities (as defined herein), (ii) fund a deposit to the Debt Service Reserve Fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 18.15 of the Prior Ground Lease, Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 the Series 2007 Loan Agreement provide that the Prior Ground Lease may be amended with the consent of the Series 2004 Bond Insurer (as hereinafter defined) in order to amend or modify the Prior Ground Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Series 2004 Bond Insurer or the Trustee; and

WHEREAS, the Issuer is issuing its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the “*Series 2013 Bonds*”), pursuant to a First Supplemental Trust Indenture dated as of November 1, 2013 between the Issuer and the Trustee, supplementing and amending the Series 2004 Indenture, in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Ground Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE I
LEASE OF PROPERTY - TERMS OF GROUND LEASE

Section 1.01 Lease of Land. The Board does hereby let, demise, and rent unto the Corporation, and the Corporation does hereby rent and lease from the Board, the real property (the “*Land*”) more particularly described on Exhibit A attached hereto, together with all existing and future improvements, alterations, additions and attached fixtures located or to be located on the Land (the “*Facilities*”) and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Land for vehicular and pedestrian ingress and egress. Notwithstanding Article VIII of the Loan Agreement, the Board shall have the right to release from this Ground Lease, after demolition has been completed, any portion of the Land upon which existing facilities were demolished, if no portion of the Facilities is thereafter constructed thereon. The Corporation, by execution of this Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on Exhibit B attached hereto.

Section 1.02 Habendum. To have and to hold the Land and the Facilities, together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Corporation, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

Section 1.03 Term. Unless sooner terminated as herein provided, this Ground Lease shall continue and remain in full force and effect for a term commencing on the effective date hereof and ending on the earlier of (i) August 1, 2047, or (ii) the date on which any of the following events occur: (a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture, or (b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation’s interest in the Series 2004 Facilities and the Series 2007 Facilities pursuant to the Option.

ARTICLE II
DEFINITIONS

Section 2.01 Definitions. In addition to such other defined terms as may be set forth in this Ground Lease, the following terms shall have the following meanings:

“*Affiliate*” means, with respect to a designated Person under this Ground Lease, any other Person that, directly or indirectly, controls is controlled by, or is under common control with such designated Person. For purposes of this definition, the term “control” (including the correlative meanings of the terms “controlled by” and “under common control with”), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person.

“*Agreement*” means collectively, the Series 2004 Agreement and the Series 2007 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Applicable Laws*” means all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority which are applicable to the parties performing their obligations under this Ground Lease.

“*Award*” means any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

“*Board*” means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University.

“*Board Representative*” means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Ground Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Business and Finance, or his or her designee, the President or the Vice President for Administration and Finance of the University or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

“*Board’s Interest*” means the Board’s ownership interest in and to the Land and the Facilities.

“*Bond Documents*” shall have the meaning set forth in Section 3.12 of the Indenture.

“*Bonds*” shall mean the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds, any Additional Bonds issued pursuant to the Indenture and Bonds issued to refund any of the Series 2004 Bonds, Series 2007 Bonds or Series 2013 Bonds.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*Campus*” means the campus of the University.

“*Commencement Date*” means the effective date of this Ground Lease, which is November 13, 2013.

“*Corporation*” means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Event of Default*” means any matter identified as an event of default under Section 11.01 hereof.

“*Existing Facilities Lease*” means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation.

“*Existing Ground Lease*” means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation.

“*Expiration Date*” means the expiration date of this Ground Lease as set forth in Section 1.03 hereof.

“*Facilities*” means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached hereto, as amended and supplemented in accordance with the provisions of the Agreement, which were renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds, respectively.

“*Facilities Lease*” means the Existing Facilities Lease as supplemented and amended by the Third Supplemental Facilities Lease, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

“*Force Majeure*” means any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, act of terrorism, war, blockade, insurrection, riot, or civil disturbance; (b) labor dispute, strike, work slowdown, or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of the Corporation; (d) adoption of or change in any Applicable Laws after the date of execution of this Ground Lease; (e) any actions by the Board which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of the Corporation.

“*Governmental Authority*” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

“*Ground Lease*” means the Existing Ground Lease, as supplemented and amended by this Third Supplemental Ground Lease.

“*Indenture*” means, collectively, the Series 2004 Indenture, the Series 2007 Indenture and the Series 2013 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

“*Land*” means the real property more particularly described on Exhibit A attached hereto upon which certain existing facilities have been demolished and upon which the Facilities were renovated, constructed and located.

“*Mortgage*” shall have the meaning set forth in the Agreement.

“*Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

“*Permitted Use*” means (i) with respect to the Series 2004 Facilities, the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing and (ii) with respect to the Series 2007 Facilities, the operation of the Series 2007 Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

“*Person*” means an individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.

“*Rent*” means the annual rent paid by the Corporation as set forth in Section 3.01 hereof.

“*Series 2004 Agreement*” means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, as supplemented and amended by the Series 2013 Agreement, including any additional amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

“*Series 2004 Bonds*” means the Issuer’s \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”).

“*Series 2004 Facilities*” means the student housing and related facilities described in Exhibit D hereto, as Phase I, Phase II and Phase III, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2004 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, as supplemented and amended by the Series 2013 Indenture, including any additional amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Agreement*” means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Bonds*” means, collectively, the Issuer’s \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the “*Series 2007A Bonds*”) and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

“*Series 2007 Facilities*” means the parking and related facilities described as Phase IV in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2007 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder

“*Series 2013 Agreement*” means the First Supplemental Loan and Assignment Agreement dated as of November 1, 2013, between the Corporation and the Issuer, supplementing and amending the Series 2004 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2013 Bonds*” means the Issuer’s \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

“*Series 2013 Indenture*” means that certain First Supplemental Trust Indenture by and between the Trustee and the Issuer dated as of November 1, 2013, supplementing and amending the Series 2004 Indenture, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Stadium Expansion*” shall mean the Football Stadium Improvements described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement, which improvements were not financed with Bond proceeds.

“*Taking*” means the actual or constructive condemnation, or the actual or constructive acquisition by condemnation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

“*Term*” means the term of this lease as set forth in Section 1.03 hereof.

“*Third Supplemental Facilities Lease*” means that certain Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 by and between the Corporation and the Board.

“*Third Supplemental Ground Lease*” means this Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 by and between the Board and the Corporation.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

ARTICLE III RENT

Section 3.01 Rent. Commencing on the Commencement Date and continuing throughout the Term, the Corporation shall pay to the Board, at the address set forth in Section 18.02 hereof or such other place as the Board may designate from time to time in writing, as annual rent for the Land (the “*Rent*”), the sum of \$1.00 per year. Rent shall be due and payable annually in advance, with the first such payment of Rent being due on the Commencement Date and a like installment due on each anniversary thereafter during the Term.

Section 3.02 Additional Obligations. As further consideration for the entering into of this Ground Lease by the Board, the Corporation agrees to perform its construction obligations as set forth in Article Five herein, and to execute and perform its obligations under the Facilities Lease and all other documents contemplated by and ancillary to this Ground Lease and the Facilities Lease. Title to all improvements constructed or placed in service on the Land by the Corporation shall vest in the Board and the cost thereof incurred by the Corporation shall constitute additional rent hereunder. In addition, the Corporation agrees to pay the costs of demolishing, developing and/or constructing the Facilities and the Stadium Expansion pursuant to the terms of this Ground Lease and the Facilities Lease, title to which shall vest in the Board, which payment obligation shall constitute additional rent hereunder.

ARTICLE IV
USE OF LAND

Section 4.01 Purpose of Lease. The Corporation enters into this Ground Lease for the purpose of demolishing certain existing facilities and renovating, developing and constructing the Facilities and the Stadium Expansion and leasing the Facilities and the Stadium Expansion to the Board in accordance with the Facilities Lease. Except as otherwise provided herein, the Facilities and the Stadium Expansion are to be used for no other purpose.

Section 4.02 Benefit of the Board and the University. The Board shall own the Facilities and the Stadium Expansion subject to the Corporation's rights under this Ground Lease and, for so long as the Facilities Lease remains in full force and effect, the Board shall lease back the Facilities from the Corporation for the support, maintenance and benefit of the Board and the University. The Facilities and the Stadium Expansion shall be owned and leased solely for a public purpose related to the performance of the duties and functions of the Board and the University. Under no circumstances shall the Facilities and the Stadium Expansion be used for any purpose other than the Permitted Use.

Section 4.03 Data and Voice Communication Systems. The University, at its expense, agrees to provide to the Facilities and the Stadium Expansion appropriate cabling to tie its computer system into the Facilities and the Stadium Expansion. The University shall provide the Facilities and the Stadium Expansion access to its computer system at no charge to the Corporation.

Section 4.04 Compliance with Statutory Requirements. Section 3361, et, seq. of Title 17 of the Louisiana Revised Statutes prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Ground Lease, the Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation:

(a) the waiver by written consent of the formulation and adoption of rules, regulations and requirements, if any, relative to the erection, construction and maintenance of the Facilities and the Stadium Expansion referenced in Section 3362 A of Title 17 of the Louisiana Revised Statutes, other than those set forth in this Ground Lease or specifically referenced in this Ground Lease;

(b) the waiver by written consent of the Board's right to require removal of the Facilities and the Stadium Expansion referenced in Section 3362 B of Title 17 of the Louisiana Revised Statutes, except as set forth in this Ground Lease; and

(c) the waiver by written consent of the Board's right to adopt such rules or regulations as it deems necessary or desirable relative to the conduct and social activities of people in structures erected on the leased grounds referenced in Section 3364 of Title 17 of the Louisiana Revised Statutes, except as may be specified in this Ground Lease.

ARTICLE V
RESERVED

ARTICLE VI
ENCUMBRANCES

Section 6.01 Mortgage of Leasehold or the Facilities. Except for the Mortgage, the Corporation shall not mortgage, lien or grant a security interest in the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion or any other right of the Corporation hereunder without the prior written consent of the Board.

ARTICLE VII
MAINTENANCE AND REPAIR

Section 7.01 Maintenance, Repairs and Renovations.

(a) For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall be responsible for maintaining and repairing the Facilities and the Stadium Expansion in accordance with Section 7 of the Facilities Lease.

(b) In the event that the Facilities Lease has been terminated, the Corporation will: (1) maintain or cause to be maintained the Facilities and the Stadium Expansion, and will keep the Facilities and the Stadium Expansion in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; and (2) make from time to time any additions, modifications or improvements to the Facilities and the Stadium Expansion the Corporation may deem desirable for its business purposes that do not materially impair the effective use of the Facilities and the Stadium Expansion, provided that all such additions, modifications and improvements will become a part of the Facilities and the Stadium Expansion.

ARTICLE VIII
CERTAIN LIENS PROHIBITED

Section 8.01 No Mechanics' Liens. Except as permitted in Section 8.02 hereof the Corporation shall not suffer or permit any mechanics' liens or other liens to be enforced against the Board's ownership interest in the Land, the Facilities or the Stadium Expansion nor against the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the Land, the Facilities or the Stadium Expansion or any part thereof through or under the Corporation.

Section 8.02 Release of Recorded Liens. If any such mechanics' liens or materialmen's liens shall be recorded against the Land, the Facilities or the Stadium Expansion, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case the Corporation hereby agrees to indemnify and save the Board harmless from all liability for damages occasioned thereby and shall in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the Board reasonably should consider the Board's interest in the Land, the Facilities or the Stadium Expansion endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Board within thirty (30) days after such notice, then the Board, at the Board's sole discretion, may discharge such liens and recover from the Corporation immediately as additional Rent under this Ground Lease the amounts paid, with interest thereon from the date paid by the Board until repaid by the Corporation at the rate of ten percent (10%) per annum.

Section 8.03 Memorandum of Recitals. The memorandum of lease to be filed pursuant to Section 18.04 of this Ground Lease shall state that any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

ARTICLE IX
OPERATION AND MANAGEMENT OF FACILITIES

Section 9.01 Management of Facilities and the Stadium Expansion. For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall operate and manage the Facilities and the Stadium Expansion or cause the Facilities and the Stadium Expansion to be operated and managed in accordance with the Section 7 of the Facilities Lease.

Section 9.02 Books and Records. The Corporation shall keep, or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Corporation.

Section 9.03 Audits. The Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Corporation. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the Board, by the Louisiana Legislative Auditor or by independent auditors retained by the Board desiring to conduct such audit, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Corporation.

ARTICLE X
INDEMNIFICATION

Section 10.17 Indemnification by the Corporation. Excluding the acts or omissions of the Board, its employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Board, its agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with the Corporation's construction of the Facilities and the Stadium Expansion. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation and the Board shall use the same counsel if such counsel is approved by the Board, which approval shall not be unreasonably withheld or delayed. If the Board does not approve such counsel then the Board may retain independent counsel at the Board's sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Board shall in no way be responsible therefor.

Section 10.18 Contributory Acts. Whenever in this Ground Lease any party is obligated to pay an amount or perform an act because of its negligence or misconduct (or that of its agents, employees, contractors, guests, or invitees), such obligations shall be mitigated to the extent of any comparative fault or misconduct of the other party (or that of its agents, employees, contractors, guests, or invitees) as determined by a court of law, and in any disputes damages shall be apportioned based on the relative amounts of such negligence or willful misconduct as determined by a court of law.

ARTICLE XI
TERMINATION, DEFAULT AND REMEDIES

Section 11.01 Events Of Default. Any one of the following events shall be deemed to be an "Event of Default" by the Corporation under this Ground Lease.

(a) The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of this Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.

(b) The taking by execution of the Corporation's leasehold estate (other than a foreclosure of the Mortgage) for the benefit of any Person.

(c) The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of this Ground Lease and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(d) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Facilities and the Stadium Expansion appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.

Section 11.02 The Board's Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Board may at its option seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Section 11.03 Termination of Right of Occupancy. Notwithstanding any provision of law or of this Ground Lease to the contrary, except as set forth in Section 1.03 hereof, the Board shall not have the right to terminate this lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Corporation hereunder, the Board shall have the right to terminate the Corporation's right to occupancy of the Land, the Facilities and the Stadium Expansion, except that the Facilities and the Stadium Expansion, at the option of the Board, shall remain thereon. The Board shall have the right upon ninety (90) days' written notice and opportunity to cure provided to the Series 2004 Bond Insurer and the Trustee, to take possession of the Land, the Facilities and the Stadium Expansion and to re-let the Land, the Facilities and the Stadium Expansion or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation hereby agrees to release its leasehold interest and all of its rights under this Ground Lease and the Facilities Lease to the new lessee of the Land (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, as applicable) agreeing to assume all of the Corporation's obligations under the Ground Lease, the Facilities Lease and under any debt incurred by the Corporation in connection with the construction of the Facilities and the Stadium Expansion.

Section 11.04 Rights of The Board Cumulative. All rights and remedies of the Board provided for and permitted in this Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Board of a breach of any of the covenants, conditions or restrictions of this Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Board to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

ARTICLE XII TITLE TO THE FACILITIES

Section 12.01 Title to Facilities. Title to the existing Facilities and the Stadium Expansion and any new Facilities as they are constructed or placed in service upon completion thereof shall be vested in the Board. The Board's right to obtain title to the Facilities and the Stadium Expansion unencumbered by the leasehold interest of the Corporation granted hereunder shall be as set forth in the Facilities Lease. All furniture, fixtures, equipment and furnishings permanently affixed to the Facilities and the Stadium Expansion shall be the property of the Board upon termination of this Ground Lease whether such termination be by expiration of the Term or an earlier termination under any provision of this Ground Lease.

Section 12.02 The Board's Option to Require Demolition. Upon the Expiration Date of the Term or earlier termination hereof, in the event the Facilities or the Stadium Expansion are no longer suitable for the Board's purposes, the Board in its sole discretion may require the Corporation to demolish the Facilities or the Stadium Expansion and remove the Facilities or the Stadium Expansion from the Land, and restore the Land to substantially the same condition as it existed on the date of this Ground Lease, to be accomplished within one hundred eighty (180) days of such Expiration Date or earlier termination hereof. However, such demolition and removal of the Facilities or the Stadium Expansion shall be at the Board's sole cost and expense. In the event of such election upon the expiration of the Term, the Board shall notify the Corporation no later than six (6) months prior to the expiration of the Term. If this Ground Lease is terminated earlier, the Board shall notify the Corporation within thirty (30) days after the termination.

Section 12.03 Termination of Facilities Lease. Upon the termination of the Facilities Lease as a result of the Board's exercise of its option to purchase the Facilities and the Stadium Expansion granted under the Facilities Lease, all right and interest of the Corporation in and to this Ground Lease, the Facilities Lease and the Facilities and the Stadium Expansion shall be transferred to the Board, and the Corporation hereby agrees to execute any documents necessary to effectuate such transfer, or the Board may require the demolition of the Facilities and the Stadium Expansion as set forth in Section 12.02 above.

Section 12.04 Insurance Proceeds. Notwithstanding the fact that title to the Facilities and the Stadium Expansion is vested in the Board, if the Facilities Lease is no longer in force and effect, and all or any portion of the Facilities and the Stadium Expansion is damaged or destroyed by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*"), the proceeds of any insurance received on account of any such Casualty shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond

Documents are no longer in effect shall be disbursed to the Corporation as though the Corporation were the owner of the Facilities and the Stadium Expansion.

Section 12.05 Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities and the Stadium Expansion due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively “*Casualty*”) or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities and the Stadium Expansion by condemnation, expropriation, or eminent domain proceedings (collectively “*Expropriation*”) is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

ARTICLE XIII CONDEMNATION

Section 13.01 Condemnation. If the Facilities Lease has been terminated, upon the permanent Taking of all the Land, the Facilities and the Stadium Expansion, this Ground Lease shall terminate and expire as of the date of such Taking, and both the Corporation and the Board shall thereupon be released from any liability thereafter accruing hereunder except for Rent and all other amounts secured by this Ground Lease owed to the Board apportioned as of the date of the Taking or the last date of occupancy, whichever is later. The Corporation shall receive notice of any proceedings relating to a Taking and shall have the right to participate therein.

Section 13.02 Partial Condemnation if Facilities Lease is No Longer in Effect. Upon a temporary Taking or a Taking of less than all of the Land, the Facilities and the Stadium Expansion and if the Facilities Lease is no longer in effect, the Corporation, at its election, may terminate this Ground Lease by giving the Board notice of its election to terminate at least sixty (60) days prior to the date of such termination. Upon any such termination, the Rent accrued and unpaid hereunder shall be apportioned to the date of termination. In the event there is a partial condemnation of the Land and the Corporation decides not to terminate this Ground Lease, the Board and the Corporation shall either amend this Ground Lease or enter into a new lease so as to cover an adjacent portion of property, if necessary to restore or replace any portion of the Land and/or Facilities and the Stadium Expansion.

Section 13.03 Partial or Total Condemnation if Facilities Lease is in Effect. If this Ground Lease is terminated under Section 13.01 or in the event of a Taking of less than all of the Land and the Facilities and the Stadium Expansion while the Facilities Lease is in force and effect, and the Board decides to restore or replace the Facilities and the Stadium Expansion in accordance with the Facilities Lease, the Board and the Corporation agree to enter into a new lease (in form and substance substantially the same as this Ground Lease) of a portion of property necessary to place thereon the Facilities and the Stadium Expansion and to enter into a new Facilities Lease (in form and substance substantially the same as the Facilities Lease) covering such replacement Facilities and the Stadium Expansion.

Section 13.04 Payment of Awards - If Facilities Lease is in Effect. Upon the Taking of all or any portion of the Land or the Facilities or and the Stadium Expansion while the Facilities Lease remains in full force and effect (a) the proceeds of the Award allocable to the value of the Facilities and the Stadium Expansion shall be disbursed in accordance with the provisions of the Facilities Lease and the Bond Documents, and (b) the Board shall be entitled (free of any claim by the Corporation) to the Award for the value of the Board’s Interest (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board’s Interest); and (c) the Corporation shall be entitled to the Award

for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.05 Payment of Awards - If Facilities Lease is not in Effect. Upon the Taking of all or any portion of the Land or the Facilities or the Stadium Expansion at any time after the Facilities Lease is no longer in force and effect, (a) the proceeds of the Award allocable to the value of the Facilities or the Stadium Expansion shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation, (b) the Board shall be entitled (free of any claim of the Corporation) to the Award for the value of the Board's Interest in the Land (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest) and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.06 Bond Documents Control. Notwithstanding anything in this Ground Lease to the contrary, in the event of a Casualty or a Taking of all or any portion of the Facilities or the Stadium Expansion, the provisions in the Bond Documents shall control the division, application and disbursement of any insurance proceeds or Award paid as a result thereof for so long as the Bond Documents remain in effect.

ARTICLE XIV ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE CORPORATION'S INTEREST

Section 14.01 Assignment of Leasehold Interest. Except as expressly provided for in Article VI and in this Article XIV, the Corporation shall not have the right to sell or assign the leasehold estate created by this Ground Lease, or the other rights of the Corporation hereunder to any Person without the prior written consent of the Board.

Section 14.02 Subletting. The Corporation is not authorized to sublet the leasehold estate to any entity other than the Board; provided, however, that if the Facilities Lease terminates, the Corporation shall have the right to sublease the Facilities to University students, faculty and staff and Permitted Sublessees.

Section 14.03 Transfers of the Corporation's Interest. Except as otherwise expressly provided herein, any Person succeeding to the Corporation's interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Corporation hereunder and shall be subject to the terms and provisions of this Ground Lease.

ARTICLE XV COMPLIANCE CERTIFICATES

Section 15.01 The Corporation's Compliance. The Corporation agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by the Board, to execute, acknowledge and deliver to the Board or to such other party as the Board shall request, a statement in writing certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Corporation to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered

pursuant to this Section may be relied upon by any prospective purchaser of the Board's Interest or by any other Person.

Section 15.02 The Board's Compliance. The Board agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Corporation, to execute, acknowledge and deliver to the Corporation a statement in writing addressed to the Corporation or to such other party as the Corporation shall request, certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) to the best of its knowledge after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default; (d) during the construction period, the status of construction of the Facilities and the Stadium Expansion and the estimated date of completion thereof; and (e) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Facilities and the Stadium Expansion, or by any other Person.

ARTICLE XVI TAXES AND LICENSES

Section 16.01 Payment of Taxes. The Board shall pay, and, upon request by the Corporation, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Corporation's interest in the Land or in the Facilities and the Stadium Expansion or upon any of the Corporation's property used in connection therewith or upon the Board or the Board's Interest. The Board may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Board to pay taxes and fees under this Section 16.01 shall apply only to the extent that the Board or the Corporation are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The Board and the Corporation agree to cooperate fully with each other to the end that tax exemptions available with respect to the Land, the Facilities and the Stadium Expansion under applicable law are obtained by the party or parties entitled thereto.

Section 16.02 Contested Tax Payments. The Board shall not be required to pay, discharge or remove any such taxes or assessments so long as the Board is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. The Corporation shall cooperate with the Board in completing such contest and the Corporation shall have no right to pay the amount contested during the contest. The Corporation, at the Board's expense, shall join in any such proceeding if any law shall so require.

ARTICLE XVII FORCE MAJEURE

Section 17.01 Discontinuance During Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Corporation, the Corporation shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The Board shall not be obligated to recognize any delay caused by Force Majeure unless the Corporation shall within ten (10) days after the Corporation is aware of the existence of an event of Force Majeure, notify the Board thereof.

ARTICLE XVIII
MISCELLANEOUS

Section 18.01 Nondiscrimination, Employment and Wages. Any discrimination by the Corporation or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Ground Lease, is prohibited.

Section 18.02 Notices. Notices or communications to the Board or the Corporation required or appropriate under this Ground Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

with copies to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

with a copy to:

Seale & Ross
200 North Cate Street
Hammond, LA 70404
Attention: T. Jay Seale

If to Series 2004 Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

If to Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Section 18.03 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of Lessor and Lessor hereunder.

Section 18.04 Memorandum of Lease. Neither the Board nor the Corporation shall file this Ground Lease for record in Tangipahoa Parish, Louisiana or in any public place without the written consent of the other. In lieu thereof the Board and the Corporation agree to execute in recordable form a memorandum of this Ground Lease in the form of Exhibit C attached hereto. Such memorandum shall be filed for record in Tangipahoa Parish, Louisiana.

Section 18.05 Attorney's Fees. If either party is required to commence legal proceedings relating to this Ground Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 18.06 Louisiana Law to Apply. This Ground Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Tangipahoa Parish, Louisiana.

Section 18.07 Warranty of Peaceful Possession. The Board covenants that the Corporation, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Corporation, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Land, the Facilities and the Stadium Expansion during the Term, subject to the Facilities Lease, and may exercise all of its rights hereunder; and the Board agrees to warrant and forever defend the Corporation's right to such occupancy, use, and enjoyment and the title to the Land against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Ground Lease, the Facilities Lease, and the matters listed on Exhibit B attached hereto.

Section 18.08 Curative Matters. Except for the express representations and warranties of the Board set forth in this Ground Lease, any additional matters necessary or desirable to make the Land useable for the Corporation's purpose shall be undertaken, in the Corporation's sole discretion, at no expense to the Board. The Corporation shall notify the Board in writing of all additional matters undertaken by the Corporation to make the Land usable for the Corporation's purpose.

Section 18.09 Nonwaiver. No waiver by the Board or the Corporation of a breach of any of the covenants, conditions, or restrictions of this Ground Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions or restrictions of this Ground Lease. The failure of the Board or the Corporation to insist in any one or more cases upon the strict performance of any of the covenants of the Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the Board or acceptance of payment by the Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the Board or the Corporation of any provision of this Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 18.10 Terminology. Unless the context of this Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the word "or" shall have the inclusive meaning represented by the phrase "and/or"; (e) the words "hereof," "herein," "hereunder," and similar terms in this Ground Lease shall refer to this Ground Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Ground Lease and the Table of Contents to this Ground Lease are for reference purposes and shall not control or affect the construction of this Ground Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Ground Lease unless otherwise specified. All exhibits attached to this Ground Lease constitute a part of this Ground Lease and are incorporated herein. All references to a specific time of day in this Ground Lease shall be based upon Central Standard Time (or the other standard of measuring time then in effect in Hammond, Louisiana).

Section 18.11 Counterparts. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 18.12 Severability. If any clause or provision of this Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of Ground Lease shall not be affected thereby.

Section 18.13 Authorization. By execution of this Ground Lease, the Corporation and the Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Ground Lease have been taken and performed; and that the persons signing this Ground Lease on their behalf have due authorization to do so.

Section 18.14 Ancillary Agreements. In the event it becomes necessary or desirable for the Board to approve in writing any ancillary agreements or documents concerning the Land or concerning the construction, operation or maintenance of the Facilities and the Stadium Expansion or to alter or amend any such ancillary agreements between the Board and the Corporation or to give any approval or

consent of the Board required under the terms of this Ground Lease, all agreements, documents or approvals shall be forwarded to the Board Representative.

Section 18.15 Amendment. No amendment, modification, or alteration of the terms of this Ground Lease shall be binding unless the same be in writing dated on or subsequent to the date hereof and duly executed by the parties hereto and consented to the extent required by Article VIII of the Agreement.

Section 18.16 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another educational institution or the Board into another educational management board.

Section 18.17 Conflicts between Existing Ground Lease and Third Supplemental Ground Lease. In the event any of the provisions of this Third Supplemental Facilities Lease conflict with any of the provisions of the Existing Facilities Lease, the provisions of this Third Supplemental Facilities Lease shall control.

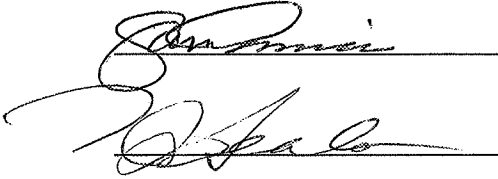
Section 18.18 Entire Agreement. This Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the Land and contains all of the terms and conditions agreed upon with respect to the lease of the Land, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

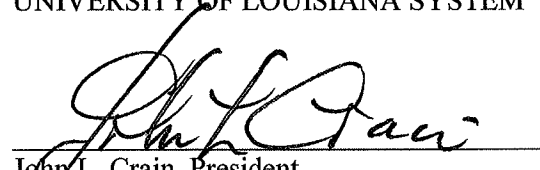
IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System on the 13th day of November, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM



By:

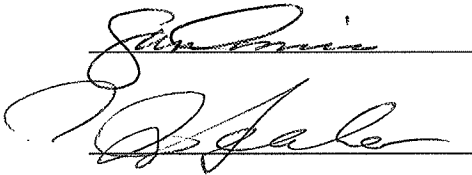


John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

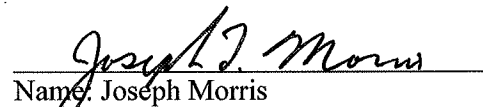
IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of University Facilities, Inc. on the 13th day of November, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.



By:



Name: Joseph Morris
Title: Executive Director

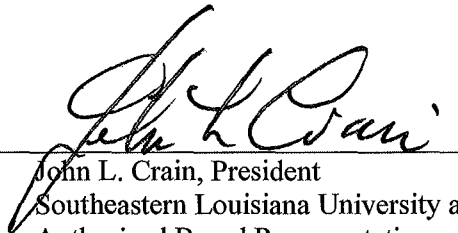
STATE OF LOUISIANA

PARISH OF TANGIPAHOA

BE IT KNOWN, that on this 13th day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:


JOHN L. CRAIN

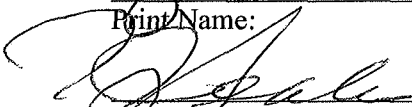
to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.



John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

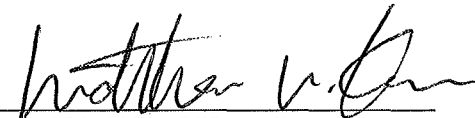
WITNESSES:



Print Name:


Print Name:

**MATTHEW W. KERN
NOTARY PUBLIC
NOTARY ID #87770
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission Is For Life**



NOTARY PUBLIC
Print Name: _____
La. Bar or Notary ID Number: 31810
Lifetime Commission

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

BE IT KNOWN, that on this 13th day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOSEPH MORRIS

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Executive Director of University Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

Joseph J. Morris
Name: Joseph Morris
Title: Executive Director

WITNESSES:

[Signature]
Print Name:
[Signature]
Print Name:

**MATTHEW W. KERN
NOTARY PUBLIC
NOTARY ID #87770
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission Is For Life**

Matthew W. Kern
NOTARY PUBLIC
Print Name:
La. Bar or Notary ID Number: 31810
Lifetime Commission

EXHIBIT A

LAND DESCRIPTION

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-

7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46’03” West 240.96 feet to the Point of Beginning;

thence North 00°14’06” West 278.02 feet; thence North 89°50’08” East 252.70 feet; thence South 00°08’03” East 181.58 feet; thence South 89°48’33” West 39.94 feet; thence South 00°21’03” West 96.15 feet; thence South 89°49’36” West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled “Plat of Survey Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.06 Acre Tract - Intermodal Facility):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 feet to a point; thence leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 30.32 feet to the Point of Beginning;

From the Point of Beginning run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 17.83 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 251.49 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 17.83 feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 265.35 feet back to the Point of Beginning.

Tract 5 (0.40 Acre Tract – Stadium Expansion):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 Feet to the Point of Beginning;

From the Point of Beginning and leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 326.00 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 52.92 Feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 326.00 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 31.13 feet back to the Point of Beginning.

EXHIBIT B

PERMITTED ENCUMBRANCES

1. Amended and Restated Ground Lease Agreement dated July 27, 2000 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.

2. Amended and Restated Agreement to Lease with Option to Purchase dated July 27, 2000 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.

3. Assignment of Leases and Rents dated July 27, 2000 by and between University Facilities, Inc., as assignor, and Hibernia National Bank, as assignee, relating to all leases and rents from the portion of the Facilities located on the 11.28 acre tract described as Tract 2 herein.

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

THUS DONE AND PASSED on the ____ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with John L. Crain, President of Southeastern Louisiana University and Authorized Board Representative, and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

THUS DONE AND PASSED on the ____ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Joseph Morris, Executive Director of University Facilities, Inc., and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
Joseph Morris, Executive Director

NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

EXHIBIT D

DESCRIPTION OF THE FACILITIES

Phase One

Phase One of the housing development was comprised of two primary elements:

1. Hazardous material abatement and demolition of the following residence halls:
 - (a) Holloway Smith Hall (occurred in Spring 2004)
 - (b) Hammond Hall (occurred in Spring 2004)
 - (c) Carter Harris Hall (occurred in Spring 2004)
2. Construction of a new residence hall ("*Residence Hall I*") which provides approximately seven hundred eighteen (718) student beds in a mix of private and shared occupancy suites (opened January, 2005)

The project included: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and (5) provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (171,045 square feet)

Residence Hall was comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred fifty-eight (358) units of two-bedroom / one-bathroom and one-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of seven hundred eighteen (718) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-nine (179) of the units are designed for shared occupancy (360 total beds). Additionally, the Residence Hall I phase included a common area laundry facility in two of the buildings and area coordinator units in two of the buildings. In each building, community meeting rooms and tenant mail facilities were provided.

The first phase of development also included a 1,763 square foot maintenance facility for use by the property manager. Residence Hall I was completed in January, 2005.

Phase Two

Phase Two of the housing development was comprised of:

1. Construction of a new residence hall ("*Residence Hall II*") which provides seven hundred ninety-one (791) student beds in a mix of private and shared occupancy suites.
2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (184,530 square feet)

Residence Hall II is comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred ninety-five (395) units of housing configured in two-bedroom / one-

bathroom and one-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of seven hundred ninety-one (791) beds. Ninety-five (95) of the units (187 total beds) are designed for private occupancy and three hundred (300) of the units (604 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase includes one laundry facility and one area coordinator unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities are provided. The second phase of development included relocation of the campus police facility into one of the buildings, along with office / meeting space for the property management. Residence Hall II was completed in August, 2005.

Phase Three

Phase Three of the housing development has not been initiated and would be subject to further revision based upon input from the University. The following was the preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to be determined)
2. Construction of a new residence hall ("*Residence Hall III*") to provide approximately two hundred (200) student beds in private occupancy suites.

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is not currently in progress.

Residence Hall III unit mix and design is subject to further revision based upon University input.

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility consists of approximately 436 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It contains four parking levels containing 171,378 square feet with elevators and stairs.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements included the expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom

spaces. It consists of two levels containing approximately 9,323 square feet (plus 3,881 square feet at the two patios and 1,207 square foot at club seating area).

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

Tangipahoa Parish Recording Page

4 b

Julian E. Dufreche
Clerk of Court
P. O. Box 667
110 North Bay Street, Suite 100
Amite, LA 70422
(985) 748-4146

Received From :
REGIONS BANK

First VENDOR

UNIVERSITY OF LOUISIANA SYSTEM

First VENDEE

UNIVERSITY FACILITIES INC

Index Type : Conveyances

Instrument # : 909415

Type of Document : Lease - Conveyance Book

Book : 1329 Page : 444

Recording Pages : 7

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Tangipahoa Parish, Louisiana

/s/SHAWNIE HUTCHINSON

Deputy Clerk

On (Recorded Date) : 11/20/2013

At (Recorded Time) : 3:48:41:000 PM



Doc ID - 010722210007



CLERK OF COURT
JULIAN E. DUFRECHE
Parish of Tangipahoa

I certify that this is a true copy of the attached document that was filed for registry and
Recorded 11/20/2013 at 3:48:41
Recorded in Book 1329 Page 444
File Number 909415

Shawnie Hutchison

Deputy Clerk

Return To :

STATE OF LOUISIANA
PARISH OF TANGIPAHOA

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

MEMORANDUM OF GROUND LEASE

This Memorandum of Lease (this "*Memorandum*") is entered into by and between the Board of Supervisors for the University of Louisiana System ("*Lessor*") and University Facilities, Inc. ("*Lessee*").

RECITALS

A. Lessor and Lessee have entered into a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "*Third Supplemental Ground Lease*"), supplementing and amending that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Existing Ground Lease*" and, together with the Third Supplemental Ground Lease, the "*Lease*"), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibit A attached hereto and incorporated herein (the "*Land*") and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on November 13, 2013 and shall continue until midnight on August 1, 2047, unless sooner terminated or extended as provided in the Lease.

2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.

3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System
1201 North 3rd Street, Suite 7300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

THUS DONE AND PASSED on the 13th day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with John L. Crain, President of Southeastern Louisiana University and Authorized Board Representative, and me, Notary.

WITNESSES:

Sam Domiano
Sam Domiano
Jay Seale
Jay Seale

UNIVERSITY FACILITIES, INC.

By: *John L. Crain*
John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

Matthew W. Kern
NOTARY PUBLIC

Print Name: _____
La. Bar Number of Notary ID: 31810
Lifetime Commission

**MATTHEW W. KERN
NOTARY PUBLIC
NOTARY ID #87770
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission Is For Life**

THUS DONE AND PASSED on the 13th day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Joseph Morris, Executive Director of University Facilities, Inc., and me, Notary.

WITNESSES:

Sam Domiano
Sam Domiano
Jay Seale
Jay Seale

UNIVERSITY FACILITIES, INC.

By: *Joseph L. Morris*
Joseph Morris, Executive Director

Matthew W. Kern
NOTARY PUBLIC

Print Name: _____
La. Bar Number of Notary ID: 31810
Lifetime Commission

**MATTHEW W. KERN
NOTARY PUBLIC
NOTARY ID #87770
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission Is For Life**

EXHIBIT A

LAND DESCRIPTION

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-

7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46’03” West 240.96 feet to the Point of Beginning;

thence North 00°14’06” West 278.02 feet; thence North 89°50’08” East 252.70 feet; thence South 00°08’03” East 181.58 feet; thence South 89°48’33” West 39.94 feet; thence South 00°21’03” West 96.15 feet; thence South 89°49’36” West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled “Plat of Survey Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.06 Acre Tract - Intermodal Facility):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 feet to a point; thence leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 30.32 feet to the Point of Beginning;

From the Point of Beginning run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 17.83 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 251.49 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 17.83 feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 265.35 feet back to the Point of Beginning.

Tract 5 (0.40 Acre Tract – Stadium Expansion):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 Feet to the Point of Beginning;

From the Point of Beginning and leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 326.00 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 52.92 Feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 326.00 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 31.13 feet back to the Point of Beginning.

Tangipahoa Parish Recording Page

46

Julian E. Dufreche
Clerk of Court
P. O. Box 667
110 North Bay Street, Suite 100
Amite, LA 70422
(985) 748-4146

Received From :
JONES WALKER

First VENDOR

BOARD OF SUPERVISORS

First VENDEE

UNIVERSITY FACILITIES INC

Index Type : Conveyances

Instrument # : 887917

Type of Document : Conveyance Doc (More Than 10 Pages)

Book : 1299 **Page :** 141

Recording Pages : 12

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Tangipahoa Parish, Louisiana

s/SHAWNIE HUTCHINSON

Deputy Clerk

On (Recorded Date) : 12/10/2012

At (Recorded Time) : 12:09:50:000 PM



Doc ID - 010488940012

CLERK OF COURT
JULIAN E. DUFRECHE
Parish of Tangipahoa

I certify that this is a true copy of the attached document that was filed for registry and
Recorded 12/10/2012 at 12:09:50
Recorded in Book 1299 Page 141
File Number 887917

Deputy Clerk



Return To :

SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

and

UNIVERSITY FACILITIES, INC.

dated as of June 12, 2012

relative to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

This SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT (this "*Second Amendment*") is made and entered into effective as of June 12, 2012, by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM, a public constitutional corporation organized and existing under the laws of the State of Louisiana (the "*Board*"), acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by John L. Crain, President of the University and duly authorized Board representative, and UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by Joseph Morris, its Executive Director (the "*Corporation*").

WITNESSETH:

WHEREAS, the Board entered into a Ground and Buildings Lease Agreement with the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), which was amended by a First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation, dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Ground Lease*");

WHEREAS, pursuant to the Ground Lease and pursuant to La. R.S. 17:3361 through 17:3366, as amended, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase, between the Corporation and the Board, dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Facilities Lease*");

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Indenture*") and a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*"), between the Issuer and the Corporation, the Issuer issued and loaned to the Corporation the proceeds from the sale of the Issuer's \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series

2004B Bonds and any Additional Bonds, the “*Bonds*”);

WHEREAS, the proceeds of the Bonds were used to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Facilities*”), (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to a Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds;

WHEREAS, the full renovation of a building on the campus of the University known as Cardinal Newman Hall (the “*Cardinal Newman Project*”) was included in the description of the Facilities to be constructed or renovated with the proceeds of the Bond which was attached as Exhibit D to the Ground Lease;

WHEREAS, the Cardinal Newman Project was removed from the Ground Lease by the First Amendment to Ground Lease in 2007, because it was not feasible to complete the Cardinal Newman Project at that time;

WHEREAS, it is now feasible to complete the Cardinal Newman Project and the Board desires to add the Cardinal Newman Project back to the Ground Lease so that it may be financed with proceeds of the Bonds remaining in the Project Fund;

WHEREAS, Section 18.31 of the Ground Lease grants the Board the right to amend the Ground Lease;

WHEREAS, the Board desires to amend the Ground Lease in order to amend and replace in its entirety the description of the Facilities, attached as Exhibit D to the Ground Lease; and

WHEREAS, Section 8.03 of the Loan Agreement requires the written consent of MBIA Insurance Corporation, bond insurer for the Bonds (the “*Bond Insurer*”), to amend the Ground Lease in order to amend and replace Exhibit D to the Ground Lease in its entirety, and the Bond Insurer has consented as referenced in the Consent of Bond Insurer dated June 6, 2012, which is attached hereto for recordation along with this Second Amendment.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE 1 AMENDMENT TO GROUND AND BUILDINGS LEASE

Section 1.1 Amendment and Restatement of Exhibit D of the Ground Lease. Exhibit D to the Ground Lease is hereby deleted, and the “Revised Exhibit D” attached to this Second Amendment is hereby substituted therefor.

ARTICLE 2
MISCELLANEOUS

Section 2.1 Capitalized Terms. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Ground Lease.

Section 2.2 Effect on the Agreement. This Second Amendment shall amend and supersede the Ground Lease to the extent of the terms hereof. The Ground Lease, except as amended and superseded hereby, is and shall remain in full force and effect. In the event of a conflict of the terms of this Second Amendment and the Ground Lease, the terms of this Second Amendment shall control.

Section 2.3 Applicable Law. This Second Amendment shall be construed in accordance with and governed for all purposes by the laws of the State of Louisiana without giving effect to the principal of conflict of laws thereof.

Section 2.4 Counterparts. This Second Amendment may be executed in multiple counterparts, each of which, when considered with the others, shall constitute a complete Second Amendment.

Section 2.5 Recordation of Amendment. This Second Amendment shall be recorded in the Conveyance Records of the Parish of Tangipahoa, State of Louisiana, and the parties hereto specifically authorize and request the Clerk of Court and Register of Conveyances in and for the Parish of Tangipahoa, State of Louisiana, to make mention of this Second Amendment in the margin of the records of the Memorandum of Ground Lease recorded at Instrument No. 672169, Book 994, Page 32 as well as in the margin of the records of the Memorandum of Ground Lease regarding the First Amendment to Ground Lease at Instrument No. 745731, Book 1091, Page 480.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of the Board of Supervisors for the University of Louisiana System in Hammond, Louisiana on the 13th day of June, 2012.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

Chrissie McShee
Print Name: Chrissie McShee

Ross S. Barbier
Print Name: ROSS S. BARBIER

By: John L. Crain
John L. Crain
University President and
Authorized Board Representative

Carne Pregeant
NOTARY PUBLIC
PRINTED NAME: Carne Pregeant
NOTARY ID NUMBER: 010443
MY COMMISSION EXPIRES: AT DEATH

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of University Facilities, Inc., in Hammond, Louisiana on the 13th day of June, 2012.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Rebekah Nuccio
Print Name: Rebekah J. Nuccio

J. Ballard
Print Name: Juanita C. Ballard

By: Joseph J. Morris
Name: Joseph Morris
Title: Executive Director

[Signature]
NOTARY PUBLIC
PRINTED NAME: Gene Piquant
NOTARY ID NUMBER: 010443
MY COMMISSION EXPIRES: AT DEATH

REVISED EXHIBIT D

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)
2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)

2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom /

one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

CONSENT OF BOND INSURER

in connection with

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

and

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

The undersigned duly authorized officer of National Public Finance Guarantee, as reinsurer and agent for MBIA Insurance Corporation (“*MBIA*”) hereby certifies as follows:

1. MBIA issued its Financial Guaranty Insurance Policy Number 44754 with respect to the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A (the “*Series 2004A Bonds*”), its Financial Guaranty Insurance Policy Number 44755 with respect to the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the “*Series 2004B Bonds*”) and its Financial Guaranty Insurance Policy Number 44756 with respect to the \$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004C (the “*Series 2004C Bonds*” and, together with the Series 2004A Bonds and the Series 2004B Bonds, the “*Series 2004 Bonds*”), said Series 2004 Bonds being issued on August 13, 2004.

2. MBIA has been provided with copies of the following:

(i) the Trust Indenture dated as of August 1, 2004 by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A. (the “*Indenture*”) pursuant to which the Series 2004 Bonds were issued;

(ii) the Loan and Assignment Agreement dated as of August 1, 2004 (the “*Loan Agreement*”) by and between the Issuer and the University Facilities, Inc. (the “*Corporation*”);

(iii) the Ground and Buildings Lease Agreement dated as of August 1, 2004 (the “*Original Ground Lease*”), as amended by that certain First Amendment to Ground and Buildings Lease Agreement effective as of March 1, 2007 (the “*First Amendment to Ground Lease*” and, together with the Original Ground Lease, the “*Existing Ground Lease*”), together with the form of a Second Amendment to Ground and Buildings Lease Agreement (the “*Second Amendment to Ground Lease*”) each by and between the Board of Supervisors for the Louisiana Community and Technical College System (the “*Board*”) and the Corporation; and

(iv) the Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the “*Original Facilities Lease*”), as amended by the First Amendment to Lease with Option to Purchase Agreement effective as of March 1, 2007 (the “*First Amendment to Facilities Lease*” and, together with the Original Facilities Lease, the “*Existing Facilities Lease*”), together with the form of a Second Amendment to Agreement to Lease with Option to Purchase (the “*Second Amendment to Facilities Lease*”), each by and between the Board and the Corporation.

3. In connection with the amendment of the description of the Facilities (as defined in the Existing Facilities Lease) to add the renovation of Cardinal Newman Hall, MBIA has been asked to consent to the amendments to Existing Ground Lease and Existing Facilities Lease embodied in the Second Amendment to Ground Lease and Second Amendment to Facilities Lease pursuant to Section 8.03 of the Loan Agreement.

4. MBIA hereby consents to the execution and delivery by the Corporation of the Second Amendment to Ground Lease and the Second Amendment to Facilities Lease for purposes of Section 8.03 of the Loan Agreement in connection with the addition of the renovation of Cardinal Newman Hall to the description of the Facilities in the Existing Ground Lease and the Existing Facilities Lease.

Dated: June 6, 2012

National Public Finance Guarantee,
as reinsurer and agent for MBIA

By: Rubana Fikruye
Authorized Officer

FIRST AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

BY AND BEWEEN

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

AND

UNIVERSITY FACILITIES, INC.

RELATIVE TO

\$60,985,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) SERIES 2004A;

\$15,000,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) SERIES 2004B;

\$925,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.: PHASE FOUR PARKING PROJECT) SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC.: PHASE FOUR PARKING PROJECT) SERIES 2007B

**FIRST AMENDMENT TO GROUND AND
BUILDING LEASE AGREEMENT**

This **FIRST AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT** (this "First Amendment") is effective as of the 1st day of March, 2007, by and between **UNIVERSITY FACILITIES, INC.**, a non-profit corporation incorporated and existing under the laws of the State of Louisiana (the "Corporation") and the **BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM** (the "Board"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of the University of Louisiana System (the "University").

SECTION 1. EXHIBIT A to the Ground and Buildings Lease is hereby amended to read as follows:

LEGAL DESCRIPTIONS

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46'03" West 240.96 feet to the Point of Beginning;

thence North 00°14'06" West 278.02 feet; thence North 89°50'08" East 252.70 feet; thence South 00°08'03" East 181.58 feet; thence South 89°48'33" West 39.94 feet; thence South 00°21'03" West 96.15 feet; thence South 89°49'36" West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

SECTION 2. EXHIBIT A-1 to the Ground and Buildings Lease is hereby added with respect to the Phase Four Ground Lease to read as follows:

Tract 4 (1.06 Acre Tract - Intermodal Facility):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 feet to a point; thence leaving said right-of-way run South 75 Degrees 13

Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 30.32 feet to the Point of Beginning;

From the Point of Beginning run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 17.83 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 251.49 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 17.83 feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 265.35 feet back to the Point of Beginning.

Tract 5 (0.40 Acre Tract – Stadium Expansion):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 Feet to the Point of Beginning;

From the Point of Beginning and leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 326.00 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 52.92 Feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 326.00 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 31.13 feet back to the Point of Beginning.

SECTION 3. EXHIBIT D to the Ground and Buildings Lease is hereby amended to read as follows:

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along

with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:

(a) Taylor Hall (to occur June / July 2006)

2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

SECTION 4. EXHIBIT D-1 with respect to the Phase Four Ground Lease is hereby included and shall read as follows:

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility will consist of approximately 450 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It will contain four parking levels containing 154,000 square feet.

Football Stadium Improvements

The Strawberry Football Stadium improvements will include expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom spaces. It will consist of two levels containing approximately 24,000 square feet.

SECTION 5. Part II of the Ground Lease relative to the Phase Four Facilities and the Stadium Expansion shall be added to read as follows:

ARTICLE I LEASE OF PROPERTY - TERMS OF GROUND LEASE

Section 1.01 Lease of Land. The Board does hereby let, demise, and rent unto the Corporation, and the Corporation does hereby rent and lease from the Board, the real property (the "Phase Four Land" and the "Stadium Expansion Land," respectively) more particularly described on **Exhibit A-1** attached hereto, together with all existing and future improvements, alterations, additions and attached fixtures located or to be located on the Phase Four Land and Stadium Expansion Land (the "Phase Four Facilities and the Stadium Expansion") and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Phase Four Land and the Stadium Expansion Land for vehicular and pedestrian ingress and egress. The Corporation, by execution of this Phase Four Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on **Exhibit B** attached hereto.

Section 1.02 Habendum. To have and to hold the Phase Four Land and the Stadium Expansion Land and the Phase Four Facilities and Stadium Expansion, together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Corporation, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

Section 1.03 Term. Unless sooner terminated as herein provided, this Phase Four Ground Lease shall continue and remain in full force and effect for a term commencing on the effective date hereof and ending on the earlier of (i) August 1, 2047 or (ii) the date on which any of the following events occur: (a) repayment of the Phase Four Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Phase Four Bonds or the defeasance of the Phase Four Bonds, all as set forth in the Phase Four Indenture, or (b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation's interest in all of the Phase Four Facilities and the Stadium Expansion pursuant to the Option.

ARTICLE II DEFINITIONS

Section 2.01 Definitions. In addition to such other defined terms as may be set forth in the Ground Lease, the following terms shall have the following meanings for this Phase Four Ground Lease:

"Affiliate" means, with respect to a designated Person under The Phase Four Ground Lease, any other Person that, directly or indirectly, controls is controlled by, or is under common control with such designated Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person.

"Applicable Laws" means all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority that are applicable to the parties performing their obligations under this Phase Four Ground Lease.

"Award" means any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

"Board" means Board of Supervisors for the University of Louisiana System, formerly known as the Board of Trustees for State Colleges and Universities or its legal successor as the management board of the University, acting on behalf of the University.

"Board Representative" means the Person or Persons designated by the Board in writing to serve as the Board's representative(s) in exercising the Board's rights and performing the Board's obligations under this Phase Four Ground Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Assistant Vice President for Operations and Facilities, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

"Board's Interest" means the Board's ownership interest in and to the Phase Four Land and the Phase Four Facilities.

"Bond Documents" shall have the meaning set forth in Section 3.12 of the Phase Four Indenture.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Jacksonville, Florida, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"Campus" means the campus of the University.

"Commencement of Construction" means the date on which excavation or foundation work is begun for the Phase Four Facilities, which date shall occur on or about January 1, 2007.

"Commencement Date" means the effective date of this Phase Four Ground Lease, which is March 1, 2007.

"Corporation" means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Phase Four Bonds.

"Date of Opening" means, with respect to the Phase Four Facilities, the date the Phase Four Facilities are opened for occupancy or use, which date shall be on or before March 31, 2008 and, with respect to the Stadium Expansion, the date the Stadium Expansion is opened for occupancy or use, which date shall be on or before December 31, 2008.

"Event of Default" means any matter identified as an event of default under Section 11.01 hereof.

"Expiration Date" means August 1, 2047.

"Facilities Lease" means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as amended by the First Amendment to the Agreement to Lease with Option to Purchase, dated March 1, 2007, by and between the Board, as Lessee, and the Corporation, as Lessor, whereby certain facilities are leased by the Corporation to the Board, on behalf of the University, as further amended.

"Force Majeure" means any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, act of terrorism, war, blockade, insurrection, riot, or civil disturbance; (b) labor dispute, strike, work slowdown, or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of the Corporation; (d) adoption of or change in any Applicable Laws after the date of execution of this Phase Four Ground Lease; (e) any actions by the Board which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of the Corporation.

"Governmental Authority" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"Ground Lease" means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as amended by the First Amendment to the Ground and Buildings Lease Agreement, dated as of March 1, 2007, by and between the Corporation, as Lessee, and the Board, as Lessor, whereby the land upon which certain facilities shall be constructed and/or renovated and such facilities, as completed are leased by the Board to the Corporation, as further amended.

"Indenture" or "Phase Four Indenture" means the Indenture dated as of March 1, 2007, between the Issuer and the Trustee, including any amendments and supplements thereof and thereto as permitted thereunder.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana created by the provisions of the Act (as defined in the Phase Four Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"Permitted Sublessees" means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Phase Four Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

"Permitted Use" means the operation of the Phase Four Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

"Person" means an individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.

"Phase Four Agreement" means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

"Phase Four Bonds" the bonds issued pursuant to the Phase Four Indenture to finance the Phase Four Facilities.

"Phase Four Facilities" means parking and related facilities described in **Exhibit D-1** hereto, as amended and supplemented in accordance with the provisions of the Phase Four Agreement.

"Phase Four Facilities Land" means the real property more particularly described on **Exhibit A-1** attached hereto upon which the Phase Four Facilities are to be renovated, constructed and located.

"Phase Four Facilities Lease" means Part II of the Facilities Lease, including the Exhibits attached thereto, and any amendment or supplement thereto entered into from time to time in accordance with the terms thereof.

"Phase Four Ground Lease" means this Part II of the Ground Lease, including the Exhibits attached hereto, and any amendment or supplement thereto entered into from time to time in accordance with the terms hereof.

"Phase Four Independent Architect" means the architect, engineer, or consultant selected and retained by the Board to inspect the Phase Four Facilities and Stadium Expansion on behalf of the Board.

"Phase Four Plans and Specifications" means the plans and specifications for the construction of each phase of the Phase Four Facilities and the Stadium Expansion, as implemented and detailed from time to time, as the same may be revised from time to time prior to the completion of the Phase Four Facilities and the Stadium Expansion in accordance with the Phase Four Agreement and the Phase Four Ground Lease.

"Phase Four Rent" means the annual rent paid by the Corporation as set forth in Section 3.01 hereof.

"Phase Four Term" means the term of this Phase Four Ground Lease as set forth in Section 1.03 hereof.

"Stadium Expansion" shall the Football Stadium Improvements described in Exhibit D-1 hereto, as amended and supplemented in accordance with the provisions of the Phase Four Agreement, which improvements are not financed with Bond proceeds.

"Stadium Expansion Land" means the real property more particularly described on Exhibit A-1 attached hereto upon which the Stadium Expansion is to be renovated, constructed and located.

"Taking" means the actual or constructive condemnation, or the actual or constructive acquisition by condemnation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

"Trustee" shall have the meaning set forth in the Phase Four Facilities Lease.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

**ARTICLE III
PHASE FOUR RENT**

Section 3.01 Phase Four Rent. Commencing on the Commencement Date and continuing throughout the Phase Four Term the Corporation shall pay to the Board, at the address set forth in Section 18.02 hereof or such other place as the Board may designate from time to time in writing, as annual rent for the Phase Four Land and the Stadium Expansion Land, the sum of \$1.00 per year. Phase Four Rent shall be due and payable annually in advance, with the first such payment of Phase Four Rent being due on the Commencement Date and a like installment due on each anniversary thereafter during the Phase Four Term.

Section 3.02 Additional Obligations. As further consideration for the entering into of this Phase Four Ground Lease by the Board, the Corporation agrees to perform its construction obligations as set forth in Article Five herein, and to execute and perform its obligations under the Phase Four Facilities Lease and all other documents contemplated by and ancillary to this Phase Four Ground Lease and the Phase Four Facilities Lease. Title to all improvements constructed or placed in service on the Phase Four Land and the Stadium Expansion Land by the Corporation shall vest in the Board and the cost thereof incurred by the Corporation shall constitute additional rent hereunder. In addition, the Corporation agrees to pay the costs of developing and/or constructing the Phase Four Facilities and the Phase Four Stadium Expansion pursuant to the terms of this Phase Four Ground Lease and the Phase Four Facilities Lease, title to which shall vest in the Board, which payment obligation shall constitute additional rent hereunder.

**ARTICLE IV
USE OF LAND**

Section 4.01 Purpose of Lease. The Corporation enters into this Phase Four Ground Lease for the purpose of renovating, developing and constructing the Phase Four Facilities and the Stadium Expansion in accordance with the Phase Four Plans and Specifications and leasing the Phase Four Facilities and Stadium Expansion to the Board in accordance with the Phase Four Facilities Lease. Except as otherwise provided herein, the Phase Four Facilities and Stadium Expansion are to be used for no other purpose.

Section 4.02 Benefit of the Board and the University. The Board shall own the Phase Four Facilities and the Stadium Expansion subject to the Corporation's rights under this Phase Four Ground Lease and, for so long as the Phase Four Facilities Lease remains in full force and effect, the Board shall lease back the Phase Four Facilities and Stadium Expansion from the Corporation for the support, maintenance and benefit of the Board and the University. The Phase Four Facilities and Stadium Expansion shall be owned and leased solely for a public purpose related to the performance of the duties and functions of the Board and the University. Under no circumstances shall the Phase Four Facilities or Stadium Expansion be used for any purpose other than the Permitted Use.

Section 4.03 Data and Voice Communication Systems. The Board, at its expense, agrees to provide to the Phase Four Facilities and Stadium Expansion appropriate cabling to tie its computer system into the Phase Four Facilities and the Stadium Expansion. The Board shall provide the Phase Four Facilities and Stadium Expansion access to its computer system at no charge to the Corporation. The internal installation of such computer wiring within the Phase Four Facilities and Stadium Expansion in accordance with the Phase Four Plans and Specifications shall be at the expense of the Corporation.

Section 4.04 Compliance with Statutory Requirements. Section 3361, et. seq. of Title 17 of the Louisiana Revised Statutes prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Phase Four Ground Lease, the Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation:

(A) the waiver by written consent of the formulation and adoption of rules, regulations and requirements, if any, relative to the erection, construction and maintenance of the Phase Four Facilities and Stadium Expansion referenced in Section 3362 A of Title 17 of the Louisiana Revised Statutes, other than those set forth in this Phase Four Ground Lease or specifically referenced in this Phase Four Ground Lease;

(B) the waiver by written consent of the Board's right to require removal of the Phase Four Facilities or Stadium Expansion referenced in Section 3362 B of Title 17 of the Louisiana Revised Statutes, except as set forth in this Phase Four Ground Lease; and

(C) the waiver by written consent of the Board's right to adopt such rules or regulations as it deems necessary or desirable relative to the conduct and social activities of

people in structures erected on the leased grounds referenced in Section 3364 of Title 17 of the Louisiana Revised Statutes, except as may be specified in this Phase Four Ground Lease.

ARTICLE V CONSTRUCTION OF THE FACILITIES

Section 5.01 The Corporation's Construction Obligations. The Corporation will renovate, develop and construct the Phase Four Facilities and Stadium Expansion on the Phase Four Land and Stadium Expansion Land at its own cost and expense. The Corporation shall lease the Phase Four Facilities and Stadium Expansion to the Board pursuant to the Phase Four Facilities Lease. The Board shall not have any financial obligation or other obligation of any kind under this Phase Four Ground Lease except to review and approve the Corporation's activities and as specifically set forth herein.

(A) The Corporation shall furnish or cause to be furnished all supervision, tools, implements, machinery, labor, materials and accessories such as are necessary and proper for the construction of the Phase Four Facilities and Stadium Expansion, shall pay all applicable permit and license fees, and shall construct, build, and complete the Phase Four Facilities and Stadium Expansion in a good, substantial and workmanlike manner all in accordance with this Phase Four Ground Lease, and generally in compliance with the Phase Four Plans and Specifications and all documents executed pursuant hereto and thereto. The Corporation and the Board agree to cooperate fully to the end that fee and permit exemptions available with respect to the Phase Four Facilities and Stadium Expansion under applicable law are obtained by the party or parties entitled thereto.

(B) Subject to the provisions of this Section 5.01, all decisions regarding construction matters shall be made by the Corporation. The parties hereto acknowledge that the Board Representative and any other party whose consent is necessary to the Board's authority have previously reviewed and approved the Phase Four Plans and Specifications for the Phase Four Facilities and Stadium Expansion. Prior to the application of Bond proceeds or the issuance of any Additional Phase Four Bonds (as defined in the Phase Four Indenture) to finance any subsequent phase of the Phase Four Facilities, the Board Representative and any other party whose consent is necessary to the Board's authority shall review and approve the Phase Four Plans and Specifications relating to such subsequent phase of the Phase Four Facilities.

(C) Changes in work and materials are subject to review and approval of the Board Representative; however minor changes in work or materials, not affecting the general character of the Phase Four Facilities and Stadium Expansion or increasing the cost of construction may be made in the Phase Four Plans and Specifications at any time by the Corporation without the approval of the Board Representative, but a copy of the altered Phase Four Plans and Specifications shall promptly be furnished to the Board Representative. The Corporation shall notify the Board Representative of any changes in work or materials that require the Board Representative's approval and the Board Representative shall either approve or disapprove any such changes within ten (10) business days after receipt of such notice from the Corporation. Notification shall include sufficient information for the Board Representative to make a determination and to approve or disapprove any changes in work or materials.

(D) After completion of the Phase Four Facilities or the Stadium Expansion, at least sixty (60) days prior to undertaking any structural alteration, renovation, or remodeling of the Phase Four Facilities or the Stadium Expansion during the Phase Four Term, the Corporation shall submit plans for such renovation or remodeling to the Board Representative for approval which approval must be obtained prior to the Corporation making or causing to be made any such structural alteration, renovation, or remodeling of the Phase Four Facilities or the Stadium Expansion. The Board Representative shall either approve or disapprove any such alteration within thirty (30) days after receipt of such plans from the Corporation. All alterations, renovations or additions to the Phase Four Facilities or the Stadium Expansion undertaken by the Corporation shall be in conformance with all applicable laws, codes, rules and regulations, and amendments thereto, including 1988 Standard Building Code with 1989 and 1990 revisions, ANSIA 1117.1 1986 edition, and NFPA 101 Life Safety Code and all local and state building codes. The Corporation shall have the right to contest any such codes for reasonable grounds by ordinary and proper procedures.

(E) Subject to Force Majeure, the Corporation covenants that the Corporation shall substantially complete construction of the Phase Four Facilities and Stadium Expansion, subject to punch list items, on or before its respective Date of Opening. Notwithstanding anything to the contrary contained herein, a breach by the Corporation of the covenant set forth in this Section 5.01(E), shall not be an Event of Default hereunder. The Board shall be entitled to institute an action seeking specific performance of this covenant by the Corporation.

(F) Upon commencement of construction of the Phase Four Facilities and commencement of the construction of the Stadium Expansion, the Corporation shall deliver to the Board Representative a copy of the labor and materials payment and performance bonds in an amount equal to the contract price set forth in the Construction Contract for such Phase Four Facilities or the Construction Contract for the Stadium Expansion, respectively, issued by a company qualified, permitted or admitted to do business of the State of Louisiana and approved by the Board. The Corporation shall take the action specified by La. R.S. 9:4802(C) to be taken by an owner to protect the premises from any liens related to the design or construction of the Phase Four Facilities or Stadium Expansion.

(G) Prior to the Commencement of Construction of the Phase Four Facilities or Stadium Expansion, any architect whose services have been retained shall provide a standard errors and omissions policy, with such additional provisions as may be approved by counsel to the Corporation.

(H) Any performance bond, labor and material payment bond, or completion bond provided by a contractor hired by the Corporation shall be for 100% of the amount of the contract with such contractor, and shall contain a dual obligee rider in favor of the Board; subject, however, to the reasonable underwriting guidelines of the surety issuing the bond and rules of the Governmental Authorities regulating the surety.

(I) The Corporation shall, upon written request of the Board, make in such detail as may reasonably be required, and forward to the Board Representative, reports in writing as to the actual progress of the construction of the Phase Four Facilities and Stadium Expansion. During such period, the construction work shall be subject to inspection by the Phase Four

Independent Architect and by authorized personnel of the Board in order to verify reports of construction, determine compliance with safety, fire, and building codes, determine compliance with approved construction plans, or such other inspections as may be necessary in the reasonable opinion of the Board Representative.

(J) The Corporation shall inspect the Phase Four Land and Stadium Expansion and arrange for boundary surveys, topographical surveys, soil borings and other site investigations at its expense to the extent these things have not been done by the Board. The Board does not guarantee that the Phase Four Land and Stadium Expansion Land is suitable for construction of the Phase Four Facilities and the Stadium Expansion. Subject to the matters shown on **Exhibit B-1** attached to this Phase Four Ground Lease, the Corporation accepts the Phase Four Land and Stadium Expansion Land in its present condition. However, the Board represents that to the best of its knowledge and belief there are no Hazardous Materials or other materials on or under the Phase Four Land or Stadium Expansion Land that would materially impact the construction of the Phase Four Facilities.

(K) Except as provided in Section 4.03 hereof, part of the cost of construction of the Phase Four Facilities and the Stadium Expansion shall include all costs necessary for the contractor or applicable utility company to bring lines for all such utilities to the Phase Four Facilities and Stadium Expansion so that such utilities will be available when required for construction and operation of the Phase Four Facilities and Stadium Expansion.

**ARTICLE VI
ENCUMBRANCES**

Section 6.01 Mortgage of Leasehold of the Phase Four Facilities. The Corporation shall not mortgage, lien or grant a security interest in the Corporation's leasehold interest in the Phase Four Land or the Phase Four Facilities, the Stadium Expansion Land or Stadium Expansion, or any other right of the Corporation hereunder without the prior written consent of the Board.

**ARTICLE VII
MAINTENANCE AND REPAIR**

Section 7.01 Maintenance, Repairs and Renovations. (a) For as long as the Phase Four Facilities Lease is in effect, the University, at the direction of the Board, shall be responsible for maintaining and repairing the Phase Four Facilities and Stadium Expansion in accordance with Section 7 of the Phase Four Facilities Lease.

(b) In the event that the Phase Four Facilities Lease has been terminated, the Corporation will: (1) maintain or cause to be maintained the Phase Four Facilities and Stadium Expansion, and will keep the Phase Four Facilities and Stadium Expansion in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; and (2) make from time to time any additions, modifications or improvements to the Phase Four Facilities and Stadium Expansion the Corporation may deem desirable for its business purposes that do not materially impair the effective use of the Phase Four Facilities and Stadium Expansion, provided that all such additions, modifications and improvements will become a part of the Phase Four Facilities and Stadium Expansion.

**ARTICLE VIII
CERTAIN LIENS PROHIBITED**

Section 8.01 No Mechanics' Liens. Except as permitted in Section 8.02 hereof the Corporation shall not suffer or permit any mechanics' liens or other liens to be enforced against the Board's ownership interest in the Phase Four Land or the Phase Four Facilities, the Stadium Expansion Land or the Stadium Expansion nor against the Corporation's leasehold interest in the Phase Four Land or the Phase Four Facilities or the Stadium Expansion Land or Stadium Expansion by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the Phase Four Land or Phase Four Facilities, the Stadium Expansion Land or Stadium Expansion or any part thereof through or under the Corporation.

Section 8.02 Release of Recorded Liens. If any such mechanics' liens or materialmen's liens shall be recorded against the Phase Four Land or Phase Four Facilities or the Stadium Expansion Land or Stadium Expansion, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case the Corporation hereby agrees to indemnify and save the Board harmless from all liability for damages occasioned thereby and shall in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the Board reasonably should consider the Board's interest in the Phase Four Land or the Phase Four Facilities or the Stadium Expansion Land or Stadium Expansion endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Board within thirty (30) days after such notice, then the Board, at the Board's sole discretion, may discharge such liens and recover from the Corporation immediately as additional Phase Four Rent under this Phase Four Ground Lease the amounts paid, with interest thereon from the date paid by the Board until repaid by the Corporation at the rate of ten percent (10%) per annum.

Section 8.03 Memorandum of Recitals. The memorandum of lease to be filed pursuant to Section 18.04 of this Phase Four Ground Lease shall state that any third party entering into a contract with the Corporation for improvements to be located on the Phase Four Land and Stadium Expansion Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

**ARTICLE IX
OPERATION AND MANAGEMENT OF FACILITIES**

Section 9.01 Management of Phase Four Facilities and Stadium Expansion. For as long as the Phase Four Facilities Lease is in effect, the University, at the direction of the Board, shall operate and manage the Phase Four Facilities and Stadium Expansion or cause the Phase Four Facilities or Stadium Expansion to be operated and managed in accordance with the Section 7 of the Phase Four Facilities Lease.

Section 9.02 Books and Records. The Corporation shall keep, or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Corporation.

Section 9.03 Audits. The Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Corporation. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the Board, by the Louisiana Legislative Auditor or by independent auditors retained by the Board desiring to conduct such audit, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Corporation.

ARTICLE X INDEMNIFICATION

Section 10.01 Indemnification by the Corporation. Excluding the acts or omissions of the Board, its employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Board, its agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with the Corporation's construction of the Phase Four Facilities or Stadium Expansion. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation and the Board shall use the same counsel if such counsel is approved by the Board, which approval shall not be unreasonably withheld or delayed. If the Board does not approve such counsel then the Board may retain independent counsel at the Board's sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Board shall in no way be responsible therefor.

Section 10.02 Contributory Acts. Whenever in this Phase Four Ground Lease any party is obligated to pay an amount or perform an act because of its negligence or misconduct (or that of its agents, employees, contractors, guests, or invitees), such obligations shall be mitigated to the extent of any comparative fault or misconduct of the other party (or that of its agents, employees, contractors, guests, or invitees) as determined by a court of law, and in any disputes damages shall be apportioned based on the relative amounts of such negligence or willful misconduct as determined by a court of law.

**ARTICLE XI
TERMINATION, DEFAULT AND REMEDIES**

Section 11.01 Events Of Default. Any one of the following events shall be deemed to be an "Event of Default" by the Corporation under this Phase Four Ground Lease.

(A) The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of this Phase Four Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.

(B) The taking by execution of the Corporation's leasehold estate for the benefit of any Person.

(C) The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of this Phase Four Ground Lease, other than the covenant set forth in Section 5.01(E) hereof, and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(D) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Phase Four Facilities and Stadium Expansion appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(E) The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.

(F) The Corporation, after Commencement of Construction but prior to substantially completing construction of the Phase Four Facilities or Stadium Expansion, abandons (with no intent to continue) renovation or construction for a period of forty-five (45) consecutive days.

Section 11.02 The Board's Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Board may at its option seek any and all damages

occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Section 11.03 Termination of Right of Occupancy. Notwithstanding any provision of law or of this Phase Four Ground Lease to the contrary, except as set forth in Section 1.03 hereof, the Board shall not have the right to terminate this lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Corporation hereunder, the Board shall have the right to terminate the Corporation's right to occupancy of the Phase Four Land and the Phase Four Facilities and the Stadium Expansion Land and Stadium Expansion, except that the Phase Four Facilities and Stadium Expansion, at the option of the Board, shall remain thereon. The Board shall have the right upon ninety (90) days' written notice and opportunity to cure provided to the Bond Insurer and the Trustee, to take possession of the Phase Four Land and the Phase Four Facilities and the Stadium Expansion Land and Stadium Expansion and to re-let the Phase Four Land and the Phase Four Facilities or Stadium Expansion or take possession in its own right for the remaining Phase Four Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation hereby agrees to release its leasehold interest and all of its rights under this Phase Four Ground Lease and the Phase Four Facilities Lease to the new lessee of the Phase Four Land or Stadium Expansion Land (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, as applicable) agreeing to assume all of the Corporation's obligations under this Phase Four Ground Lease, the Phase Four Facilities Lease and under any debt incurred by the Corporation in connection with the construction of the Phase Four Facilities and Stadium Expansion.

Section 11.04 Rights of The Board Cumulative. All rights and remedies of the Board provided for and permitted in this Phase Four Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other that is consistent with the former. The Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Board of a breach of any of the covenants, conditions or restrictions of this Phase Four Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Board to insist in any one or more cases upon the strict performance of any of the covenants of this Phase Four Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

ARTICLE XII
TITLE TO THE FACILITIES

Section 12.01 Title to Phase Four Facilities. Title to the existing Phase Four Facilities and Stadium Expansion and any new Phase Four Facilities and Stadium Expansion as they are constructed or placed in service upon completion thereof shall be vested in the Board. The Board's right to obtain title to the Phase Four Facilities and Stadium Expansion unencumbered by the leasehold interest of the Corporation granted hereunder shall be as set forth in the Phase Four Facilities Lease. All furniture, fixtures, equipment and furnishings permanently affixed to the Phase Four Facilities and the Stadium Expansion shall be the property of the Board upon termination of this Phase Four Ground Lease whether such termination be by expiration of the Phase Four Term or an earlier termination under any provision of this Phase Four Ground Lease.

Section 12.02 The Board's Option to Require Demolition. Upon the Expiration Date of the Phase Four Term or earlier termination hereof, in the event the Phase Four Facilities or Stadium Expansion are no longer suitable for the Board's purposes, the Board in its sole discretion may require the Corporation to demolish the Phase Four Facilities or Stadium Expansion and remove the Phase Four Facilities from the Phase Four Land or the Stadium Expansion from the Stadium Expansion Land, and restore the Phase Four Land and/or Stadium Expansion Land to substantially the same condition as it existed on the date of this Phase Four Ground Lease, to be accomplished within one hundred eighty (180) days of such Expiration Date or earlier termination hereof. However, such demolition and removal of the Phase Four Facilities and/or the Stadium Expansion shall be at the Board's sole cost and expense. In the event of such election upon the expiration of the Phase Four Term, the Board shall notify the Corporation no later than six (6) months prior to the expiration of the Phase Four Term. If this Phase Four Ground Lease is terminated earlier, the Board shall notify the Corporation within thirty (30) days after the termination.

Section 12.03 Termination of Facilities Lease. Upon the termination of the Phase Four Facilities Lease as a result of the Board's exercise of its option to purchase all of the Phase Four Facilities and Stadium Expansion granted under the Phase Four Facilities Lease, all right and interest of the Corporation in and to this Phase Four Ground Lease, the Phase Four Facilities Lease and the Phase Four Facilities and Stadium Expansion shall be transferred to the Board, and the Corporation hereby agrees to execute any documents necessary to effectuate such transfer, or the Board may require the demolition of the Phase Four Facilities and Stadium Expansion as set forth in Section 12.02 above.

Section 12.04 Insurance Proceeds. Notwithstanding the fact that title to the Phase Four Facilities is vested in the Board, if the Phase Four Facilities Lease is no longer in force and effect, and all or any portion of the Phase Four Facilities is damaged or destroyed by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Phase Four Casualty"), the proceeds of any insurance received on account of any such Phase Four Casualty shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation as though the Corporation were the owner of the Phase Four Facilities.

Section 12.05 Condemnation, Phase Four Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Phase Four Facilities or Stadium Expansion due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Phase Four Facilities or Stadium Expansion by condemnation, expropriation, or eminent domain proceedings (collectively "Phase Four Expropriation") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

ARTICLE XIII CONDEMNATION

Section 13.01 Condemnation. If the Phase Four Facilities Lease has been terminated, upon the permanent Taking of all the Phase Four Land and the Phase Four Facilities and the Stadium Expansion Land and the Stadium Expansion, this Phase Four Ground Lease shall terminate and expire as of the date of such Taking, and both the Corporation and the Board shall thereupon be released from any liability thereafter accruing hereunder except for Phase Four Rent and all other amounts secured by this Phase Four Ground Lease owed to the Board apportioned as of the date of the Taking or the last date of occupancy, whichever is later. The Corporation shall receive notice of any proceedings relating to a Taking and shall have the right to participate therein.

Section 13.02 Partial Condemnation if Facilities Lease is No Longer in Effect. Upon a temporary Taking or a Taking of less than all of the Phase Four Land and the Phase Four Facilities and Stadium Expansion Land and Stadium Expansion and if the Phase Four Facilities Lease is no longer in effect, the Corporation, at its election, may terminate this Phase Four Ground Lease by giving the Board notice of its election to terminate at least sixty (60) days prior to the date of such termination. Upon any such termination, the Phase Four Rent accrued and unpaid hereunder shall be apportioned to the date of termination. In the event there is a partial condemnation of the Phase Four Land and Stadium Expansion and the Corporation decides not to terminate this Phase Four Ground Lease, the Board and the Corporation shall either amend this Phase Four Ground Lease or enter into a new lease so as to cover an adjacent portion of property, if necessary to restore or replace any portion of the Phase Four Land and/or Phase Four Facilities and/or Stadium Expansion Land and/or Stadium Expansion.

Section 13.03 Partial or Total Condemnation if Facilities Lease is in Effect. If this Phase Four Ground Lease is terminated under Section 13.01 or in the event of a Taking of less than all of the Phase Four Land and the Phase Four Facilities and the Stadium Expansion Land and the Stadium Expansion while the Phase Four Facilities Lease is in force and effect, and the Board decides to restore or replace the Phase Four Facilities or Stadium Expansion in accordance with the Phase Four Facilities Lease, the Board and the Corporation agree to enter into a new lease (in form and substance substantially the same as this Phase Four Ground Lease) of a portion of property necessary to place thereon the Phase Four Facilities and to enter into a new Phase Four Facilities Lease (in form and substance substantially the same as Phase Four Facilities Lease) covering such replacement Phase Four Facilities or Stadium Expansion.

Section 13.04 Payment of Awards - If Facilities Lease is in Effect. Upon the Taking of all or any portion of the Phase Four Land or the Phase Four Facilities or Stadium Expansion Land or Stadium Expansion while the Phase Four Facilities Lease remains in full force and effect (a) the proceeds of the Award allocable to the value of the Phase Four Facilities or Stadium Expansion shall be disbursed in accordance with the provisions of the Phase Four Facilities Lease and the Bond Documents, and (b) the Board shall be entitled (free of any claim by the Corporation) to the Award for the value of the Board's Interest (such value to be determined as if this Phase Four Ground Lease were in effect and continuing to encumber the Board's Interest); and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest

in the Phase Four Land or Stadium Expansion Land under this Phase Four Ground Lease that is the subject of the Taking.

Section 13.05 Payment of Awards - If Facilities Lease is not in Effect. Upon the Taking of all or any portion of the Phase Four Land or the Phase Four Facilities or the Stadium Expansion Land or the Stadium Expansion at any time after the Phase Four Facilities Lease is no longer in force and effect, (a) the proceeds of the Award allocable to the value of the Phase Four Facilities shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation, (b) the Board shall be entitled (free of any claim of the Corporation) to the Award for the value of the Board's Interest in the Phase Four Land (such value to be determined as if this Phase Four Ground Lease were in effect and continuing to encumber the Board's Interest) and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Phase Four Land under this Phase Four Ground Lease that is the subject of the Taking.

Section 13.06 Bond Documents Control. Notwithstanding anything in this Phase Four Ground Lease to the contrary, in the event of a Phase Four Casualty or a Taking of all or any portion of the Phase Four Facilities, the provisions in the Bond Documents shall control the division, application and disbursement of any insurance proceeds or Award paid as a result thereof for so long as the Bond Documents remain in effect.

**ARTICLE XIV
ASSIGNMENT, SUBLETTING, AND TRANSFERS
OF THE CORPORATION'S INTEREST**

Section 14.01 Assignment of Leasehold Interest. Except as expressly provided for in Article Six and in this Article Fourteen, the Corporation shall not have the right to sell or assign the leasehold estate created by this Phase Four Ground Lease, or the other rights of the Corporation hereunder to any Person without the prior written consent of the Board.

Section 14.02 Subletting. The Corporation is not authorized to sublet the leasehold estate to any entity other than the Board; provided, however, that if the Phase Four Facilities Lease terminates, the Corporation shall have the right to sublease the Phase Four Facilities to University students, faculty and staff and Permitted Sublessees.

Section 14.03 Transfers of the Corporation's Interest. Except as otherwise expressly provided herein, any Person succeeding to the Corporation's interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Corporation hereunder and shall be subject to the terms and provisions of this Phase Four Ground Lease.

**ARTICLE XV
COMPLIANCE CERTIFICATES**

Section 15.01 The Corporation Compliance. The Corporation agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by the Board, to execute, acknowledge and deliver to the Board or to such other party as the Board shall request, a statement in writing certifying (a) that this Phase Four Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Corporation to be performed (and if so specifying the same), (c) the dates to which the Phase Four Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Phase Four Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the Board's Interest or by any other Person.

Section 15.02 The Board's Compliance. The Board agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Corporation, to execute, acknowledge and deliver to the Corporation a statement in writing addressed to the Corporation or to such other party as the Corporation shall request, certifying (a) that this Phase Four Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Phase Four Rent and other charges have been paid; (c) to the best of its knowledge after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default; (d) during the construction period, the status of construction of the Phase Four Facilities and Stadium Expansion and the estimated date of completion thereof; and (e) the dates of commencement and expiration of the Phase Four Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Phase Four Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Phase Four Facilities or the Stadium Expansion, or by any other Person.

**ARTICLE XVI
TAXES AND LICENSES**

Section 16.01 Payment of Taxes. The Board shall pay, and, upon request by the Corporation, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Corporation's interest in the Phase Four Land or in the Phase Four Facilities or in the Stadium Expansion Land or in the Stadium Expansion or upon any of the Corporation's property used in connection therewith or upon the Board or the Board's Interest. The Board may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Board to pay taxes and fees under this Section 16.01 shall apply only to the extent that the Board or the Corporation are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The Board and the Corporation agree to cooperate fully with each other to the end that tax exemptions available with respect to the Phase Four Land and the Phase Four Facilities and the Stadium Expansion Land and the Stadium Expansion under applicable law are obtained by the party or parties entitled thereto.

Section 16.02 Contested Tax Payments. The Board shall not be required to pay, discharge or remove any such taxes or assessments so long as the Board is contesting the amount or validity thereof by appropriate proceeding that shall operate to prevent or stay the collection of the amount so contested. The Corporation shall cooperate with the Board in completing such contest and the Corporation shall have no right to pay the amount contested during the contest. The Corporation, at the Board's expense, shall join in any such proceeding if any law shall so require.

ARTICLE XVII
FORCE MAJEURE

Section 17.01 Discontinuance During Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Corporation, the Corporation shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The Board shall not be obligated to recognize any delay caused by Force Majeure unless the Corporation shall within ten (10) days after the Corporation is aware of the existence of an event of Force Majeure, notify the Board thereof.

**ARTICLE XVIII
MISCELLANEOUS**

Section 18.01 Nondiscrimination, Employment and Wages. Any discrimination by the Corporation or its agents or employees on account of race, color, sex, age, religion, national origin, sexual orientation or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Phase Four Ground Lease, is prohibited.

Section 18.02 Notices. Notices or communications to the Board or the Corporation required or appropriate under this Phase Four Ground Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Operations and Facilities

with copies to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

with a copy to:

Seale & Ross
200 North Cate Street
Hammond, LA 70404
Attention: T. Jay Seale

If to Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Insured Portfolio Management

If to Trustee:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, FL 32256
Attention: Corporate Trust Division
Facsimile: 904-645-1997
E-mail: robsmith@bankofny.com

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Section 18.03 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of Lessor and Lessor hereunder.

Section 18.04 Memorandum of Lease. Neither the Board nor the Corporation shall file this Phase Four Ground Lease for record in Tangipahoa Parish, Louisiana or in any public place without the written consent of the other. In lieu thereof the Board and the Corporation agree to execute in recordable form a memorandum of this Phase Four Ground Lease in the form of **Exhibit C** attached hereto. Such memorandum shall be filed for record in Tangipahoa Parish, Louisiana.

Section 18.05 Attorney's Fees. If either party is required to commence legal proceedings relating to this Phase Four Ground Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 18.06 Louisiana Law to Apply. This Phase Four Ground Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Tangipahoa Parish, Louisiana.

Section 18.07 Warranty of Peaceful Possession. The Board covenants that the Corporation, on paying the Phase Four Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Corporation, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Phase Four Land and the Phase Four Facilities and the Stadium Expansion Land and the Stadium Expansion during the Phase Four Term, subject to the Phase Four Facilities Lease, and may exercise all of its rights hereunder; and the Board agrees to warrant and forever defend the Corporation's right to such occupancy, use, and enjoyment and the title to the Phase Four Land and Stadium Expansion Land against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Phase Four Ground Lease, the Phase Four Facilities Lease, and the matters listed on **Exhibit B-1** attached hereto.

Section 18.08 Curative Matters. Except for the express representations and warranties of the Board set forth in this Phase Four Ground Lease, any additional matters necessary or desirable to make the Phase Four Land and Stadium Expansion Land useable for the Corporation's purpose shall be undertaken, in the Corporation's sole discretion, at no expense to the Board. The Corporation shall notify the Board in writing of all additional matters (not contemplated by the Phase Four Plans and Specifications) undertaken by the Corporation to make the Phase Four Land usable for the Corporation's purpose.

Section 18.09 Nonwaiver. No waiver by the Board or the Corporation of a breach of any of the covenants, conditions, or restrictions of this Phase Four Ground Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions or restrictions of this Phase Four Ground Lease. The failure of the Board or the Corporation to insist in any one or more cases upon the strict performance of any of the covenants of the Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the Board or acceptance of payment by the Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the Board or the Corporation of any provision of this Phase Four Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 18.10 Terminology. Unless the context of this Phase Four Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the word "or" shall have the inclusive meaning represented by the phrase "and/or"; (e) the words "hereof," "herein," "hereunder," and similar terms in this Phase Four Ground Lease shall refer to this Phase Four Ground Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Phase Four Ground Lease and the Table of Contents to this Phase Four Ground Lease are for reference purposes and shall not control or affect the construction of this Phase Four Ground Lease or the interpretation hereof in any respect. Article,

section and subsection and exhibit references are to this Phase Four Ground Lease unless otherwise specified. All exhibits attached to this Phase Four Ground Lease constitute a part of this Phase Four Ground Lease and are incorporated herein. All references to a specific time of day in this Phase Four Ground Lease shall be based upon Central Standard Time (or the other standard of measuring time then in effect in Hammond, Louisiana).

Section 18.11 Counterparts. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 18.12 Severability. If any clause or provision of this Phase Four Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Phase Four Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of Ground Lease shall not be affected thereby.

Section 18.13 Authorization. By execution of this Phase Four Ground Lease, the Corporation and the Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Phase Four Ground Lease have been taken and performed; and that the persons signing this Phase Four Ground Lease on their behalf have due authorization to do so.

Section 18.14 Ancillary Agreements. In the event it becomes necessary or desirable for the Board to approve in writing any ancillary agreements or documents concerning the Phase Four Land or concerning the construction, operation or maintenance of the Phase Four Facilities or to alter or amend any such ancillary agreements between the Board and the Corporation or to give any approval or consent of the Board required under the terms of this Phase Four Ground Lease, all agreements, documents or approvals shall be forwarded to the Board Representative.

Section 18.15 Amendment. No amendment, modification, or alteration of the terms of this Phase Four Ground Lease shall be binding unless the same be in writing dated on or subsequent to the date hereof and duly executed by the parties hereto and consented to the extent required by Article VIII of the Agreement. No such amendment to this Phase Four Ground Lease shall alter the obligations of the parties hereto in any manner inconsistent with the scope of their obligations as contemplated.

Section 18.16 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another educational institution or the Board into another educational management board.

Section 18.17 Entire Agreement. This Phase Four Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the Phase Four Land and the Stadium Expansion Land and contains all of the terms and conditions agreed upon with respect to the lease of the Phase Four Land and the Stadium Expansion Land, and no other agreements, oral or otherwise, regarding the subject matter of this Phase Four Ground Lease shall be deemed to exist or to bind the parties hereto; it being the

intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

SECTION 6. The Ground and Buildings Lease is hereby amended to add the following provision:


The Corporation and the Board agree that immediately upon the occurrence of an Event of Default under either Section 11.01 of the Ground and Buildings Lease or under Section 11.01 of Part II of the Ground and Buildings Lease, that this Ground and Buildings Lease, as amended, will be bifurcated and Sections 1.01 through 18.17 shall be treated as a wholly separate lease apart from Part II of the Ground and Buildings Lease which shall also be treated as a wholly separate lease between the parties. Further, the Corporation and the Board agree that upon such an Event of Default, the parties will execute all other documents necessary and appropriate to reflect and record such bifurcation of this Ground and Buildings Lease into two separate lease agreements.

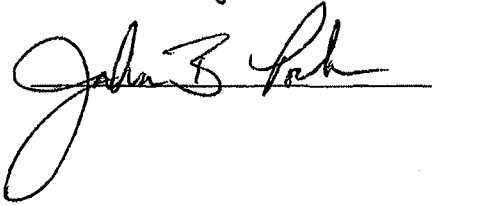
[Remainder of page intentionally left blank. Signatures appear on following page.]

[Signature page to Amendment to Ground Lease]

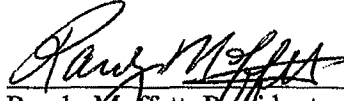
IN WITNESS WHEREOF, the undersigned representative has signed this Amendment to the Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System effective on the 1st day of March, 2007.

WITNESSES:





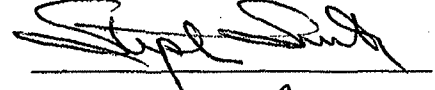
BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

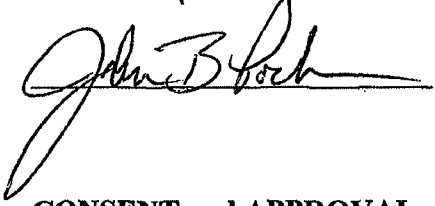
By: 

Randy Moffett, President of Southeastern
Louisiana University


IN WITNESS WHEREOF, the undersigned representative has signed this Amendment to the Ground Lease on behalf of University Facilities, Inc. effective on the 1st day of March, 2007.

WITNESSES:





UNIVERSITY FACILITIES, INC.

By: 

Phil K. Livingston, Vice Chairperson

CONSENT and APPROVAL:

MBIA INSURANCE CORPORATION

By: _____
Name: _____
Title: _____
Date: _____

[Signature page to Amendment to Ground Lease]

IN WITNESS WHEREOF, the undersigned representative has signed this Amendment to the Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System effective on the 1st day of March, 2007.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By:

Randy Moffett, President of Southeastern
Louisiana University

IN WITNESS WHEREOF, the undersigned representative has signed this Amendment to the Ground Lease on behalf of University Facilities, Inc. effective on the 1st day of March, 2007.

WITNESSES:

UNIVERSITY FACILITIES, INC.

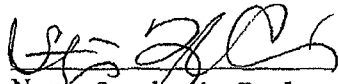
By:

Phil K. Livingston, Vice Chairperson

CONSENT and APPROVAL:

MBIA INSURANCE CORPORATION

By:



Name: Stephanie Taylor Ciavarelli

Title: Assistant Secretary

Date: March 12, 2007

**EXHIBIT B
TO THE LOAN AGREEMENT
AND TO THE GROUND LEASE**

PERMITTED ENCUMBRANCES

1. Amended and Restated Ground Lease Agreement dated July 27, 2000 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the 11.28 acre tract described as Tract 2 in Exhibit B to the Ground Lease and the portion of the Facilities located thereon.
2. Amended and Restated Agreement to Lease with Option to Purchase dated July 27, 2000 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the 11.28 acre tract described as Tract 2 in Exhibit B to the Ground Lease and the portion of the Facilities located thereon.
3. Assignment of Leases and Rents dated July 27, 2000 by and between University Facilities, Inc., as assignor, and Hibernia National Bank, as assignee, relating to all leases and rents from the portion of the Facilities located on the 11.28 acre tract described as Tract 2 in Exhibit B to the Ground Lease.
4. Ground and Buildings Lease Agreement dated as of August 1, 2004 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the aggregate 33.595 acre tracts described in Exhibit A to the Ground Lease and the portion of the Facilities located thereon.
5. Agreement to Lease with Option to Purchase dated as of August 1, 2004 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the aggregate 33.595 acre tracts described in Exhibit A to the Ground Lease and the portion of the Facilities located thereon.

EXECUTION COPY

GROUND AND BUILDINGS LEASE AGREEMENT

by and between

**Board of Supervisors for the University of Louisiana System,
on behalf of Southeastern Louisiana University
(as Lessor)**

and

**University Facilities, Inc.
(as Lessee)**

Dated as of August 1, 2004

in connection with:

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds (Southeastern Louisiana University
Student Housing/University Facilities, Inc. Project)
Series 2004

TABLE OF CONTENTS

Page

ARTICLE ONE
LEASE OF PROPERTY - TERMS OF GROUND LEASE

| | | |
|--------------|----------------------------|---|
| Section 1.01 | <u>Lease of Land</u> | 2 |
| Section 1.02 | <u>Habendum</u> | 2 |
| Section 1.03 | <u>Term</u> | 2 |

ARTICLE TWO
DEFINITIONS

| | | |
|--------------|--------------------------|---|
| Section 2.01 | <u>Definitions</u> | 2 |
|--------------|--------------------------|---|

ARTICLE THREE
RENT

| | | |
|--------------|-------------------------------------|---|
| Section 3.01 | <u>Rent</u> | 5 |
| Section 3.02 | <u>Additional Obligations</u> | 6 |

ARTICLE FOUR
USE OF LAND

| | | |
|--------------|--|---|
| Section 4.01 | <u>Purpose of Lease</u> | 6 |
| Section 4.02 | <u>Benefit of the Board and the University</u> | 6 |
| Section 4.03 | <u>Data and Voice Communication Systems</u> | 6 |
| Section 4.04 | <u>Compliance with Statutory Requirements</u> | 6 |

ARTICLE FIVE
CONSTRUCTION OF THE FACILITIES

| | | |
|--------------|---|---|
| Section 5.01 | <u>The Corporation's Construction Obligations</u> | 7 |
|--------------|---|---|

ARTICLE SIX
ENCUMBRANCES

| | | |
|--------------|--|----|
| Section 6.01 | <u>Mortgage of Leasehold or the Facilities</u> | 10 |
|--------------|--|----|

ARTICLE SEVEN
MAINTENANCE AND REPAIR

| | | |
|--------------|---|----|
| Section 7.01 | <u>Maintenance, Repairs and Renovations</u> | 10 |
|--------------|---|----|

ARTICLE EIGHT
CERTAIN LIENS PROHIBITED

| | | |
|--------------|--|----|
| Section 8.01 | <u>No Mechanics' Liens</u> | 10 |
| Section 8.02 | <u>Release of Recorded Liens</u> | 10 |
| Section 8.03 | <u>Memorandum of Recitals</u> | 11 |

ARTICLE NINE
OPERATION AND MANAGEMENT OF FACILITIES

| | | |
|--------------|---------------------------------------|----|
| Section 9.01 | <u>Management of Facilities</u> | 11 |
| Section 9.02 | <u>Books and Records</u> | 11 |
| Section 9.03 | <u>Audits</u> | 11 |

ARTICLE TEN
INDEMNIFICATION

| | | |
|---------------|---|----|
| Section 10.01 | <u>Indemnification by the Corporation</u> | 12 |
| Section 10.02 | <u>Contributory Acts</u> | 12 |

ARTICLE ELEVEN
TERMINATION, DEFAULT AND REMEDIES

| | | |
|---------------|--|----|
| Section 11.01 | <u>Events Of Default</u> | 12 |
| Section 11.02 | <u>The Board's Rights Upon Default</u> | 13 |
| Section 11.03 | <u>Termination of Right of Occupancy</u> | 13 |

ARTICLE TWELVE
TITLE TO THE FACILITIES

| | | |
|---------------|---|----|
| Section 12.01 | <u>Title to Facilities</u> | 14 |
| Section 12.02 | <u>The Board's Option to Require Demolition</u> | 14 |
| Section 12.03 | <u>Termination of Facilities Lease</u> | 14 |
| Section 12.04 | <u>Insurance Proceeds</u> | 14 |
| Section 12.05 | <u>Condemnation, Casualty and Other Damage</u> | 15 |

ARTICLE THIRTEEN
CONDEMNATION

| | | |
|---------------|--|----|
| Section 13.01 | <u>Condemnation</u> | 15 |
| Section 13.02 | <u>Partial Condemnation if Facilities Lease is No Longer in Effect</u> | 15 |
| Section 13.03 | <u>Partial or Total Condemnation if Facilities Lease is in Effect</u> | 15 |
| Section 13.04 | <u>Payment of Awards - If Facilities Lease is in Effect</u> | 16 |
| Section 13.05 | <u>Payment of Awards - If Facilities Lease is not in Effect</u> | 16 |
| Section 13.06 | <u>Bond Documents Control</u> | 16 |

ARTICLE FOURTEEN
ASSIGNMENT, SUBLETTING, AND TRANSFERS
OF THE CORPORATION'S INTEREST

| | | |
|---------------|--|----|
| Section 14.01 | <u>Assignment of Leasehold Interest</u> | 16 |
| Section 14.02 | <u>Subletting</u> | 16 |
| Section 14.03 | <u>Transfers of the Corporation's Interest</u> | 16 |

ARTICLE FIFTEEN
COMPLIANCE CERTIFICATES

| | | |
|---------------|---|----|
| Section 15.01 | <u>The Corporation Compliance</u> | 17 |
| Section 15.02 | <u>The Board's Compliance</u> | 17 |

ARTICLE SIXTEEN
TAXES AND LICENSES

| | | |
|---------------|-------------------------------------|----|
| Section 16.01 | <u>Payment of Taxes</u> | 17 |
| Section 16.02 | <u>Contested Tax Payments</u> | 18 |

ARTICLE SEVENTEEN
FORCE MAJEURE

| | | |
|---------------|--|----|
| Section 17.01 | <u>Discontinuance During Force Majeure</u> | 18 |
|---------------|--|----|

ARTICLE EIGHTEEN
MISCELLANEOUS

| | | |
|---------------|--|----|
| Section 18.01 | <u>Nondiscrimination, Employment and Wages</u> | 18 |
| Section 18.02 | <u>Notices</u> | 18 |
| Section 18.03 | <u>Relationship of Parties</u> | 20 |
| Section 18.04 | <u>Memorandum of Lease</u> | 20 |
| Section 18.05 | <u>Attorney's Fees</u> | 20 |
| Section 18.06 | <u>Louisiana Law to Apply</u> | 20 |
| Section 18.07 | <u>Warranty of Peaceful Possession</u> | 20 |
| Section 18.08 | <u>Curative Matters</u> | 20 |
| Section 18.09 | <u>Nonwaiver</u> | 21 |
| Section 18.10 | <u>Terminology</u> | 21 |
| Section 18.11 | <u>Counterparts</u> | 21 |
| Section 18.12 | <u>Severability</u> | 21 |
| Section 18.13 | <u>Authorization</u> | 21 |
| Section 18.14 | <u>Ancillary Agreements</u> | 22 |
| Section 18.15 | <u>Amendment</u> | 22 |
| Section 18.16 | <u>Successors and Assigns</u> | 22 |
| Section 18.17 | <u>Entire Agreement</u> | 22 |

EXHIBIT A - LAND DESCRIPTION
EXHIBIT B - PERMITTED ENCUMBRANCES
EXHIBIT C - MEMORANDUM OF GROUND LEASE
EXHIBIT D - FACILITIES

GROUND AND BUILDINGS LEASE AGREEMENT

This GROUND AND BUILDINGS LEASE AGREEMENT (together with any amendment hereto or supplement hereof, the "Ground Lease") dated as of August 1, 2004, is entered into by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "Board"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "University"), which Board is represented herein by Randy Moffett, President of the University, duly authorized, and UNIVERSITY FACILITIES, INC., a Louisiana, nonprofit corporation represented herein by Phil K. Livingston, its Vice Chairperson, (the "Corporation").

WITNESSETH

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University (the "Campus") provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Board;

WHEREAS, in order to further these functions of the Board, by development of housing and related facilities for students, faculty and staff on the Campus, the Board deems it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such student housing and related facilities and leasing such facilities back to the Board; and

WHEREAS, the Board and the Corporation have agreed to enter into this Ground Lease whereby the Board will lease certain tracts of land owned by the Board and located on the Campus to the Corporation; and

WHEREAS, the Board and the Corporation have agreed that the Corporation shall demolish certain existing facilities and renovate, develop and construct student housing and related facilities on the land leased hereunder which student housing and related facilities will be owned by the Board as constructed and leased to the Corporation pursuant to this Ground Lease; and

WHEREAS, the Corporation shall lease the student housing and related facilities back to the Board pursuant to a lease of even date herewith (the "Facilities Lease") for use by students, faculty and staff of the University and such other persons as set forth in the Facilities Lease;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE ONE LEASE OF PROPERTY - TERMS OF GROUND LEASE

Section 1.01 Lease of Land. The Board does hereby let, demise, and rent unto the Corporation, and the Corporation does hereby rent and lease from the Board, the real property (the "Land") more particularly described on **Exhibit A** attached hereto, together with all existing and future improvements, alterations, additions and attached fixtures located or to be located on the Land (the "Facilities") and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Land for vehicular and pedestrian ingress and egress. Notwithstanding Article VIII of the Loan Agreement, the Board shall have the right to release from this Ground Lease, after demolition has been completed, any portion of the Land upon which existing facilities were demolished, if no portion of the Facilities is thereafter constructed thereon. The Corporation, by execution of this Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on **Exhibit B** attached hereto.

Section 1.02 Habendum. To have and to hold the Land and the Facilities, together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Corporation, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

Section 1.03 Term. Unless sooner terminated as herein provided, this Ground Lease shall continue and remain in full force and effect for a term commencing on the effective date hereof and ending on the earlier of (i) August 1, 2044, or (ii) the date on which any of the following events occur: (a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture, or (b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation's interest in the Facilities pursuant to the Option.

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. In addition to such other defined terms as may be set forth in this Ground Lease, the following terms shall have the following meanings:

"**Affiliate**" means, with respect to a designated Person under this Ground Lease, any other Person that, directly or indirectly, controls is controlled by, or is under common control with such designated Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person.

"Agreement" means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

"Applicable Laws" means all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority which are applicable to the parties performing their obligations under this Ground Lease.

"Award" means any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

"Board" means Board of Supervisors for the University of Louisiana System, formerly known as the Board of Trustees for State Colleges and Universities or its legal successor as the management board of the University, acting on behalf of the University.

"Board Representative" means the Person or Persons designated by the Board in writing to serve as the Board's representative(s) in exercising the Board's rights and performing the Board's obligations under this Ground Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Assistant Vice President for Facilities Planning, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

"Board's Interest" means the Board's ownership interest in and to the Land and the Facilities.

"Bond Documents" shall have the meaning set forth in Section 3.12 of the Indenture.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Jacksonville, Florida, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"Campus" means the campus of the University.

"Commencement of Construction" means the date on which demolition, excavation or foundation work is begun for the Facilities, which date shall occur on or before August 14, 2004.

"Commencement Date" means the effective date of this Ground Lease, which is August 13, 2004.

"Construction Contract" means the Development Agreement between the Corporation and the Developer for the design and construction of each phase of the Facilities.

"Corporation" means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

"Date of Opening" means the date the demolition is complete and the Facilities are opened for occupancy or use, which date shall be on or before January 7, 2005 with respect to Phase One of the Facilities and July 29, 2005 with respect to Phase Two of the Facilities.

"Developer" means Capstone Development Corporation.

"Event of Default" means any matter identified as an event of default under Section 11.01 hereof.

"Expiration Date" means the expiration date of this Ground Lease as set forth in Section 1.03 hereof.

"Facilities" means the student housing and related facilities described in **Exhibit D** attached hereto, as amended and supplemented in accordance with the provisions of the Agreement, which are to be renovated and/or constructed in three (3) phases with the proceeds of the Bonds and Additional Bonds, and Southeastern Oaks and The Village.

"Facilities Lease" means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, by and between the Board, as Lessee, and the Corporation, as Lessor, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

"Force Majeure" means any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, act of terrorism, war, blockade, insurrection, riot, or civil disturbance; (b) labor dispute, strike, work slowdown, or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of the Corporation; (d) adoption of or change in any Applicable Laws after the date of execution of this Ground Lease; (e) any actions by the Board which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of the Corporation.

"Governmental Authority" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"Independent Architect" means the architect, engineer, or consultant selected and retained by the Board to inspect the Facilities on behalf of the Board.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission,

department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"Land" means the real property more particularly described on **Exhibit A** attached hereto upon which certain existing facilities are to be demolished and upon which the Facilities are to be renovated, constructed and located.

"Mortgage" shall have the meaning set forth in the Agreement.

"Permitted Sublessees" means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Facilities for a period of one (1) month or less pursuant to a concession or other housing arrangement with the University.

"Permitted Use" means the operation of the Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

"Person" means an individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.

"Plans and Specifications" means the plans and specifications for the construction of each phase of the Facilities, as implemented and detailed from time to time, as the same may be revised from time to time prior to the completion of the Facilities in accordance with the Agreement and this Ground Lease.

"Rent" means the annual rent paid by the Corporation as set forth in Section 3.01 hereof.

"RFP" means the Request for Proposals relating to the selection of the developer that will construct the Facilities, the lessee of the portion of the Campus upon which the Facilities will be located pursuant to this Ground Lease and the manager of the Facilities.

"Taking" means the actual or constructive condemnation, or the actual or constructive acquisition by condemnation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

"Term" means the term of this lease as set forth in Section 1.03 hereof.

"Trustee" shall have the meaning set forth in the Facilities Lease.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

ARTICLE THREE RENT

Section 3.01 Rent. Commencing on the Commencement Date and continuing throughout the Term the Corporation shall pay to the Board, at the address set forth in Section

18.02 hereof or such other place as the Board may designate from time to time in writing, as annual rent for the Land ("Rent"), the sum of \$1.00 per year. Rent shall be due and payable annually in advance, with the first such payment of Rent being due on the Commencement Date and a like installment due on each anniversary thereafter during the Term.

Section 3.02 Additional Obligations. As further consideration for the entering into of this Ground Lease by the Board, the Corporation agrees to perform its construction obligations as set forth in Article Five herein, and to execute and perform its obligations under the Facilities Lease and all other documents contemplated by and ancillary to this Ground Lease and the Facilities Lease. Title to all improvements constructed or placed in service on the Land by the Corporation shall vest in the Board and the cost thereof incurred by the Corporation shall constitute additional rent hereunder. In addition, the Corporation agrees to pay the costs of demolishing, developing and/or constructing the Facilities pursuant to the terms of this Ground Lease and the Facilities Lease, title to which shall vest in the Board, which payment obligation shall constitute additional rent hereunder.

ARTICLE FOUR USE OF LAND

Section 4.01 Purpose of Lease. The Corporation enters into this Ground Lease for the purpose of demolishing certain existing facilities and renovating, developing and constructing the Facilities in accordance with the Plans and Specifications and leasing the Facilities to the Board in accordance with the Facilities Lease. Except as otherwise provided herein, the Facilities are to be used for no other purpose.

Section 4.02 Benefit of the Board and the University. The Board shall own the Facilities subject to the Corporation's rights under this Ground Lease and, for so long as the Facilities Lease remains in full force and effect, the Board shall lease back the Facilities from the Corporation for the support, maintenance and benefit of the Board and the University. The Facilities shall be owned and leased solely for a public purpose related to the performance of the duties and functions of the Board and the University. Under no circumstances shall the Facilities be used for any purpose other than the Permitted Use.

Section 4.03 Data and Voice Communication Systems. The Board, at its expense, agrees to provide to the Facilities appropriate cabling to tie its computer system into the Facilities. The Board shall provide the Facilities access to its computer system at no charge to the Corporation. The internal installation of such computer wiring within the Facilities in accordance with the Plans and Specifications shall be at the expense of the Corporation.

Section 4.04 Compliance with Statutory Requirements. Section 3361, et, seq. of Title 17 of the Louisiana Revised Statutes prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Ground Lease, the Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation:

- A. the waiver by written consent of the formulation and adoption of rules, regulations and requirements, if any, relative to the erection, construction and maintenance of the Facilities referenced in Section 3362 A of Title 17 of the Louisiana Revised Statutes, other than those set forth in this Ground Lease or specifically referenced in this Ground Lease;
- B. the waiver by written consent of the Board's right to require removal of the Facilities referenced in Section 3362 B of Title 17 of the Louisiana Revised Statutes, except as set forth in this Ground Lease; and
- C. the waiver by written consent of the Board's right to adopt such rules or regulations as it deems necessary or desirable relative to the conduct and social activities of people in structures erected on the leased grounds referenced in Section 3364 of Title 17 of the Louisiana Revised Statutes, except as may be specified in this Ground Lease.

**ARTICLE FIVE
CONSTRUCTION OF THE FACILITIES**

Section 5.01 The Corporation's Construction Obligations. The Corporation will demolish certain existing facilities and renovate, develop and construct the Facilities on the Land at its own cost and expense. The Corporation shall lease the Facilities to the Board pursuant to the Facilities Lease. The Board shall not have any financial obligation or other obligation of any kind under this Ground Lease except to review and approve the Corporation's activities and as specifically set forth herein.

- A. The Corporation shall furnish or cause to be furnished all supervision, tools, implements, machinery, labor, materials and accessories such as are necessary and proper for the demolition of certain existing facilities and the construction of the Facilities, shall pay all applicable permit and license fees, and shall demolish certain existing facilities and construct, build, and complete the Facilities in a good, substantial and workmanlike manner all in accordance with this Ground Lease, and generally in compliance with the Plans and Specifications and all documents executed pursuant hereto and thereto. The Corporation and the Board agree to cooperate fully to the end that fee and permit exemptions available with respect to the Facilities under applicable law are obtained by the party or parties entitled thereto.
- B. Subject to the provisions of this Section 5.01, all decisions regarding construction matters shall be made by the Corporation, working with the Developer. The Developer has been selected as developer to demolish certain existing facilities and design and construct the Facilities in accordance with the RFP. The parties hereto acknowledge that the Board Representative and any other party whose consent is necessary to the Board's authority have previously reviewed and approved the Plans and Specifications and the form of the Construction Contract

for phase one of the Facilities. Prior to the application of Bond proceeds or the issuance of any Additional Bonds (as defined in the Indenture) to finance any subsequent phase of the Facilities, the Board Representative and any other party whose consent is necessary to the Board's authority shall review and approve the Plans and Specifications and the form of the Construction Contract relating to such subsequent phase of the Facilities.

- C. Changes in work and materials are subject to review and approval of the Board Representative; however minor changes in work or materials, not affecting the general character of the Facilities or increasing the cost of construction may be made in the Plans and Specifications at any time by the Corporation without the approval of the Board Representative, but a copy of the altered Plans and Specifications shall promptly be furnished to the Board Representative. The Corporation shall notify the Board Representative of any changes in work or materials that require the Board Representative's approval and the Board Representative shall either approve or disapprove any such changes within ten (10) business days after receipt of such notice from the Corporation. Notification shall include sufficient information for the Board Representative to make a determination and to approve or disapprove any changes in work or materials.
- D. After completion of the Facilities, at least sixty (60) days prior to undertaking any structural alteration, renovation, or remodeling of the Facilities during the Term, the Corporation shall submit plans for such renovation or remodeling to the Board Representative for approval which approval must be obtained prior to the Corporation making or causing to be made any such structural alteration, renovation, or remodeling of the Facilities. The Board Representative shall either approve or disapprove any such alteration within thirty (30) days after receipt of such plans from the Corporation. All alterations, renovations or additions to the Facilities undertaken by the Corporation shall be in conformance with all applicable laws, codes, rules and regulations, and amendments thereto, including 1988 Standard Building Code with 1989 and 1990 revisions, ANSIA 1117.1 1986 edition, and NFPA 101 Life Safety Code and all local and state building codes. The Corporation shall have the right to contest any such codes for reasonable grounds by ordinary and proper procedures.
- E. Subject to Force Majeure, the Corporation covenants that the Corporation shall substantially complete construction of the Facilities, subject to punch list items, on or before January 1, 2005 for Phase One, July 29, 2005 for all of Phase Two other than the renovation of Cardinal Newman Hall and August 1, 2006 for Cardinal Newman Hall with all units ready for occupancy. Notwithstanding anything to the contrary contained herein, a breach by the Corporation of the covenant set forth in this Section 5.01. E. shall not be an Event of Default hereunder. The Board shall be entitled to institute an action seeking specific performance of this covenant by the Corporation.

- F. Prior to the commencement of construction of any phase of the Facilities, the Corporation and the Developer shall meet with the Board Representative to coordinate construction activity under the Construction Contract. Upon commencement of construction of such phase of the Facilities, the Corporation shall deliver to the Board Representative, (1) a copy of the signed Construction Contract between the Corporation and the Developer for the design and construction of such phase of the Facilities, and (2) a copy of the labor and materials payment and performance bonds in an amount equal to the contract price set forth in the Construction Contract for such phase of the Facilities issued by a company qualified, permitted or admitted to do business of the State of Louisiana and approved by the Board. The Corporation shall take the action specified by La. R.S. 9:4802(C) to be taken by an owner to protect the premises from any liens related to the design or construction of the Facilities.
- G. Prior to the Commencement of Construction of any phase of the Facilities, any architect whose services have been retained shall provide a standard errors and omissions policy, with such additional provisions as may be approved by counsel to the Corporation.
- H. Any performance bond, labor and material payment bond, or completion bond provided by a contractor hired by the Corporation shall be for 100% of the amount of the contract with such contractor, and shall contain a dual obligee rider in favor of the Board; subject, however, to the reasonable underwriting guidelines of the surety issuing the bond and rules of the Governmental Authorities regulating the surety.
- I. The Corporation shall, upon written request of the Board, make, in such detail as may reasonably be required, and forward to the Board Representative, reports in writing as to the actual progress of the construction of the Facilities. During such period, the construction work shall be subject to inspection by the Independent Architect and by authorized personnel of the Board in order to verify reports of construction, determine compliance with safety, fire, and building codes, determine compliance with approved construction plans, or such other inspections as may be necessary in the reasonable opinion of the Board Representative.
- J. The Corporation shall inspect the Land and arrange for boundary surveys, topographical surveys, soil borings and other site investigations at its expense to the extent these things have not been done by the Board. The Board does not guarantee that the Land is suitable for construction of the Facilities. Subject to the matters shown on **Exhibit B** attached to this Ground Lease, the Corporation accepts the Land in its present condition. However, the Board represents that to the best of its knowledge and belief there are no Hazardous Materials or other materials on or under the Land that would materially impact the construction of the Facilities.

- K. Except as provided in Section 4.03 hereof, part of the cost of construction of the Facilities shall include all costs necessary for the contractor or applicable utility company to bring lines for all such utilities to the Facilities so that such utilities will be available when required for construction and operation of the Facilities.

ARTICLE SIX ENCUMBRANCES

Section 6.01 Mortgage of Leasehold or the Facilities. Except for the Mortgage, the Corporation shall not mortgage, lien or grant a security interest in the Corporation's leasehold interest in the Land or the Facilities or any other right of the Corporation hereunder without the prior written consent of the Board.

ARTICLE SEVEN MAINTENANCE AND REPAIR

Section 7.01 Maintenance, Repairs and Renovations. (a) For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall be responsible for maintaining and repairing the Facilities in accordance with Section 7 of the Facilities Lease. The Corporation, acting as agent for the Board, will initially contract with Capstone On-Campus Management, LLC to provide these services.

(b) In the event that the Facilities Lease has been terminated, the Corporation will: (1) maintain or cause to be maintained the Facilities, and will keep the Facilities in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; and (2) make from time to time any additions, modifications or improvements to the Facilities the Corporation may deem desirable for its business purposes that do not materially impair the effective use of the Facilities, provided that all such additions, modifications and improvements will become a part of the Facilities.

ARTICLE EIGHT CERTAIN LIENS PROHIBITED

Section 8.01 No Mechanics' Liens. Except as permitted in Section 8.02 hereof the Corporation shall not suffer or permit any mechanics' liens or other liens to be enforced against the Board's ownership interest in the Land or the Facilities nor against the Corporation's leasehold interest in the Land or the Facilities by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the Land or Facilities or any part thereof through or under the Corporation.

Section 8.02 Release of Recorded Liens. If any such mechanics' liens or materialmen's liens shall be recorded against the Land or Facilities, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case the Corporation hereby agrees to indemnify and save the Board harmless from all liability for damages occasioned

thereby and shall in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the Board reasonably should consider the Board's interest in the Land or the Facilities endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Board within thirty (30) days after such notice, then the Board, at the Board's sole discretion, may discharge such liens and recover from the Corporation immediately as additional Rent under this Ground Lease the amounts paid, with interest thereon from the date paid by the Board until repaid by the Corporation at the rate of ten percent (10%) per annum.

Section 8.03 Memorandum of Recitals. The memorandum of lease to be filed pursuant to Section 18.04 of this Ground Lease shall state that any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

ARTICLE NINE OPERATION AND MANAGEMENT OF FACILITIES

Section 9.01 Management of Facilities. For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall operate and manage the Facilities or cause the Facilities to be operated and managed in accordance with the Section 7 of the Facilities Lease. The Corporation, as approved by the Board, will initially contract with Capstone On-Campus Management, LLC to provide operations and management services for the Facilities. In the event the Facilities Lease is terminated, the Corporation will be responsible for the operations and management of the Facilities and the Board will no longer have the right to operate or manage the Facilities.

Section 9.02 Books and Records. The Corporation shall keep, or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Corporation.

Section 9.03 Audits. The Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Corporation. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the Board, by the Louisiana Legislative Auditor or by independent auditors retained by the Board desiring to conduct such audit, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Corporation.

**ARTICLE TEN
INDEMNIFICATION**

Section 10.01 Indemnification by the Corporation. Excluding the acts or omissions of the Board, its employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Board, its agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with the Corporation's construction of the Facilities. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation and the Board shall use the same counsel if such counsel is approved by the Board, which approval shall not be unreasonably withheld or delayed. If the Board does not approve such counsel then the Board may retain independent counsel at the Board's sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Board shall in no way be responsible therefor.

Section 10.02 Contributory Acts. Whenever in this Ground Lease any party is obligated to pay an amount or perform an act because of its negligence or misconduct (or that of its agents, employees, contractors, guests, or invitees), such obligations shall be mitigated to the extent of any comparative fault or misconduct of the other party (or that of its agents, employees, contractors, guests, or invitees) as determined by a court of law, and in any disputes damages shall be apportioned based on the relative amounts of such negligence or willful misconduct as determined by a court of law.

**ARTICLE ELEVEN
TERMINATION, DEFAULT AND REMEDIES**

Section 11.01 Events Of Default. Any one of the following events shall be deemed to be an "Event of Default" by the Corporation under this Ground Lease.

- A. The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of this Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.
- B. The taking by execution of the Corporation's leasehold estate (other than a foreclosure of the Mortgage) for the benefit of any Person.
- C. The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of this Ground Lease, other than the covenant set forth in Section 5.01. E. hereof, and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the

work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

- D. A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Facilities appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.
- E. The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.
- F. The Corporation, after Commencement of Construction but prior to substantially completing construction of the Facilities, abandons (with no intent to continue) demolition, renovation or construction for a period of forty-five (45) consecutive days.

Section 11.02 The Board's Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Board may at its option seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Section 11.03 Termination of Right of Occupancy. Notwithstanding any provision of law or of this Ground Lease to the contrary, except as set forth in Section 1.03 hereof, the Board shall not have the right to terminate this lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Corporation hereunder, the Board shall have the right to terminate the Corporation's right to occupancy of the Land and the Facilities, except that the Facilities, at the option of the Board, shall remain thereon. The Board shall have the right upon ninety (90) days' written notice and opportunity to cure provided to the Bond Insurer and the Trustee, to take possession of the Land and the Facilities and to re-let the Land and the Facilities or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation hereby agrees to release its leasehold interest and all of its rights under this Ground Lease and the Facilities Lease to the new lessee of the Land (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, as applicable) agreeing to assume all of the Corporation's obligations under the Ground Lease, the Facilities Lease and under any debt incurred by the Corporation in connection with the construction of the Facilities.

Section 11.04. Rights of The Board Cumulative. All rights and remedies of the Board provided for and permitted in this Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Board of a breach of any of the covenants, conditions or restrictions of this Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Board to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

ARTICLE TWELVE TITLE TO THE FACILITIES

Section 12.01 Title to Facilities. Title to the existing Facilities and any new Facilities as they are constructed or placed in service upon completion thereof shall be vested in the Board. The Board's right to obtain title to the Facilities unencumbered by the leasehold interest of the Corporation granted hereunder shall be as set forth in the Facilities Lease. All furniture, fixtures, equipment and furnishings permanently affixed to the Facilities shall be the property of the Board upon termination of this Ground Lease whether such termination be by expiration of the Term or an earlier termination under any provision of this Ground Lease.

Section 12.02 The Board's Option to Require Demolition. Upon the Expiration Date of the Term or earlier termination hereof, in the event the Facilities are no longer suitable for the Board's purposes, the Board in its sole discretion may require the Corporation to demolish the Facilities and remove the Facilities from the Land, and restore the Land to substantially the same condition as it existed on the date of this Ground Lease, to be accomplished within one hundred eighty (180) days of such Expiration Date or earlier termination hereof. However, such demolition and removal of the Facilities shall be at the Board's sole cost and expense. In the event of such election upon the expiration of the Term, the Board shall notify the Corporation no later than six (6) months prior to the expiration of the Term. If this Ground Lease is terminated earlier, the Board shall notify the Corporation within thirty (30) days after the termination.

Section 12.03 Termination of Facilities Lease. Upon the termination of the Facilities Lease as a result of the Board's exercise of its option to purchase the Facilities granted under the Facilities Lease, all right and interest of the Corporation in and to this Ground Lease, the Facilities Lease and the Facilities shall be transferred to the Board, and the Corporation hereby agrees to execute any documents necessary to effectuate such transfer, or the Board may require the demolition of the Facilities as set forth in Section 12.02 above.

Section 12.04 Insurance Proceeds. Notwithstanding the fact that title to the Facilities is vested in the Board, if the Facilities Lease is no longer in force and effect, and all or any portion of the Facilities is damaged or destroyed by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise

(collectively "Casualty"), the proceeds of any insurance received on account of any such Casualty shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation as though the Corporation were the owner of the Facilities.

Section 12.05 Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively "Expropriation") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

ARTICLE THIRTEEN CONDEMNATION

Section 13.01 Condemnation. If the Facilities Lease has been terminated, upon the permanent Taking of all the Land and the Facilities, this Ground Lease shall terminate and expire as of the date of such Taking, and both the Corporation and the Board shall thereupon be released from any liability thereafter accruing hereunder except for Rent and all other amounts secured by this Ground Lease owed to the Board apportioned as of the date of the Taking or the last date of occupancy, whichever is later. The Corporation shall receive notice of any proceedings relating to a Taking and shall have the right to participate therein.

Section 13.02 Partial Condemnation if Facilities Lease is No Longer in Effect. Upon a temporary Taking or a Taking of less than all of the Land and the Facilities and if the Facilities Lease is no longer in effect, the Corporation, at its election, may terminate this Ground Lease by giving the Board notice of its election to terminate at least sixty (60) days prior to the date of such termination. Upon any such termination, the Rent accrued and unpaid hereunder shall be apportioned to the date of termination. In the event there is a partial condemnation of the Land and the Corporation decides not to terminate this Ground Lease, the Board and the Corporation shall either amend this Ground Lease or enter into a new lease so as to cover an adjacent portion of property, if necessary to restore or replace any portion of the Land and/or Facilities.

Section 13.03 Partial or Total Condemnation if Facilities Lease is in Effect. If this Ground Lease is terminated under Section 13.01 or in the event of a Taking of less than all of the Land and the Facilities while the Facilities Lease is in force and effect, and the Board decides to restore or replace the Facilities in accordance with the Facilities Lease, the Board and the Corporation agree to enter into a new lease (in form and substance substantially the same as this Ground Lease) of a portion of property necessary to place thereon the Facilities and to enter into a new Facilities Lease (in form and substance substantially the same as the Facilities Lease) covering such replacement Facilities.

Section 13.04 Payment of Awards - If Facilities Lease is in Effect. Upon the Taking of all or any portion of the Land or the Facilities while the Facilities Lease remains in full force and effect (a) the proceeds of the Award allocable to the value of the Facilities shall be disbursed in accordance with the provisions of the Facilities Lease and the Bond Documents, and (b) the Board shall be entitled (free of any claim by the Corporation) to the Award for the value of the Board's Interest (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest); and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.05 Payment of Awards - If Facilities Lease is not in Effect. Upon the Taking of all or any portion of the Land or the Facilities at any time after the Facilities Lease is no longer in force and effect, (a) the proceeds of the Award allocable to the value of the Facilities shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation, (b) the Board shall be entitled (free of any claim of the Corporation) to the Award for the value of the Board's Interest in the Land (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest) and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.06 Bond Documents Control. Notwithstanding anything in this Ground Lease to the contrary, in the event of a Casualty or a Taking of all or any portion of the Facilities, the provisions in the Bond Documents shall control the division, application and disbursement of any insurance proceeds or Award paid as a result thereof for so long as the Bond Documents remain in effect.

ARTICLE FOURTEEN ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE CORPORATION'S INTEREST

Section 14.01 Assignment of Leasehold Interest. Except as expressly provided for in Article Six and in this Article Fourteen, the Corporation shall not have the right to sell or assign the leasehold estate created by this Ground Lease, or the other rights of the Corporation hereunder to any Person without the prior written consent of the Board.

Section 14.02 Subletting. The Corporation is not authorized to sublet the leasehold estate to any entity other than the Board; provided, however, that if the Facilities Lease terminates, the Corporation shall have the right to sublease the Facilities to University students, faculty and staff and Permitted Sublessees.

Section 14.03 Transfers of the Corporation's Interest. Except as otherwise expressly provided herein, any Person succeeding to the Corporation's interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Corporation hereunder and shall be subject to the terms and provisions of this Ground Lease.

ARTICLE FIFTEEN COMPLIANCE CERTIFICATES

Section 15.01 The Corporation Compliance. The Corporation agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by the Board, to execute, acknowledge and deliver to the Board or to such other party as the Board shall request, a statement in writing certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Corporation to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the Board's Interest or by any other Person.

Section 15.02 The Board's Compliance. The Board agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Corporation, to execute, acknowledge and deliver to the Corporation a statement in writing addressed to the Corporation or to such other party as the Corporation shall request, certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) to the best of its knowledge after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default; (d) during the construction period, the status of construction of the Facilities and the estimated date of completion thereof; and (e) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Facilities, or by any other Person.

ARTICLE SIXTEEN TAXES AND LICENSES

Section 16.01 Payment of Taxes. The Board shall pay, and, upon request by the Corporation, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Corporation's interest in the Land or in the Facilities or upon any of the Corporation's property used in connection therewith or upon the Board or the Board's Interest. The Board may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Board to pay taxes and fees under this Section 16.01 shall apply only to the extent that the Board or the Corporation are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The Board and the Corporation agree to cooperate fully with each other to the end that tax exemptions available

with respect to the Land and the Facilities under applicable law are obtained by the party or parties entitled thereto.

Section 16.02 Contested Tax Payments. The Board shall not be required to pay, discharge or remove any such taxes or assessments so long as the Board is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. The Corporation shall cooperate with the Board in completing such contest and the Corporation shall have no right to pay the amount contested during the contest. The Corporation, at the Board's expense, shall join in any such proceeding if any law shall so require.

ARTICLE SEVENTEEN FORCE MAJEURE

Section 17.01 Discontinuance During Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Corporation, the Corporation shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The Board shall not be obligated to recognize any delay caused by Force Majeure unless the Corporation shall within ten (10) days after the Corporation is aware of the existence of an event of Force Majeure, notify the Board thereof.

ARTICLE EIGHTEEN MISCELLANEOUS

Section 18.01 Nondiscrimination, Employment and Wages. Any discrimination by the Corporation or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Ground Lease, is prohibited.

Section 18.02 Notices. Notices or communications to the Board or the Corporation required or appropriate under this Ground Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802

Attention: Assistant Vice President for Facilities Planning

with copies to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402

Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402

Attention: Director of Auxiliary Services

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

with a copy to:

Seale & Ross
200 North Cate Street
Hammond, LA 70404

Attention: T. Jay Seale

If to Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Insured Portfolio Management

If to Trustee:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, FL 32256
Attention: Corporate Trust Division

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Section 18.03 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of Lessor and Lessor hereunder.

Section 18.04 Memorandum of Lease. Neither the Board nor the Corporation shall file this Ground Lease for record in Tangipahoa Parish, Louisiana or in any public place without the written consent of the other. In lieu thereof the Board and the Corporation agree to execute in recordable form a memorandum of this Ground Lease in the form of **Exhibit C** attached hereto. Such memorandum shall be filed for record in Tangipahoa Parish, Louisiana.

Section 18.05 Attorney's Fees. If either party is required to commence legal proceedings relating to this Ground Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 18.06 Louisiana Law to Apply. This Ground Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Tangipahoa Parish, Louisiana.

Section 18.07 Warranty of Peaceful Possession. The Board covenants that the Corporation, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Corporation, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Land and the Facilities during the Term, subject to the Facilities Lease, and may exercise all of its rights hereunder; and the Board agrees to warrant and forever defend the Corporation's right to such occupancy, use, and enjoyment and the title to the Land against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Ground Lease, the Facilities Lease, and the matters listed on **Exhibit B** attached hereto.

Section 18.08 Curative Matters. Except for the express representations and warranties of the Board set forth in this Ground Lease, any additional matters necessary or desirable to make the Land useable for the Corporation's purpose shall be undertaken, in the Corporation's sole discretion, at no expense to the Board. The Corporation shall notify the Board in writing of all

additional matters (not contemplated by the Plans and Specifications) undertaken by the Corporation to make the Land usable for the Corporation's purpose.

Section 18.09 Nonwaiver. No waiver by the Board or the Corporation of a breach of any of the covenants, conditions, or restrictions of this Ground Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions or restrictions of this Ground Lease. The failure of the Board or the Corporation to insist in any one or more cases upon the strict performance of any of the covenants of the Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the Board or acceptance of payment by the Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the Board or the Corporation of any provision of this Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 18.10 Terminology. Unless the context of this Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the word "or" shall have the inclusive meaning represented by the phrase "and/or"; (e) the words "hereof," "herein," "hereunder," and similar terms in this Ground Lease shall refer to this Ground Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Ground Lease and the Table of Contents to this Ground Lease are for reference purposes and shall not control or affect the construction of this Ground Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Ground Lease unless otherwise specified. All exhibits attached to this Ground Lease constitute a part of this Ground Lease and are incorporated herein. All references to a specific time of day in this Ground Lease shall be based upon Central Standard Time (or the other standard of measuring time then in effect in Hammond, Louisiana).

Section 18.11 Counterparts. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 18.12 Severability. If any clause or provision of this Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of Ground Lease shall not be affected thereby.

Section 18.13 Authorization. By execution of this Ground Lease, the Corporation and the Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Ground Lease have been taken and performed; and that the persons signing this Ground Lease on their behalf have due authorization to do so.

Section 18.14 Ancillary Agreements. In the event it becomes necessary or desirable for the Board to approve in writing any ancillary agreements or documents concerning the Land or concerning the construction, operation or maintenance of the Facilities or to alter or amend any such ancillary agreements between the Board and the Corporation or to give any approval or consent of the Board required under the terms of this Ground Lease, all agreements, documents or approvals shall be forwarded to the Board Representative.

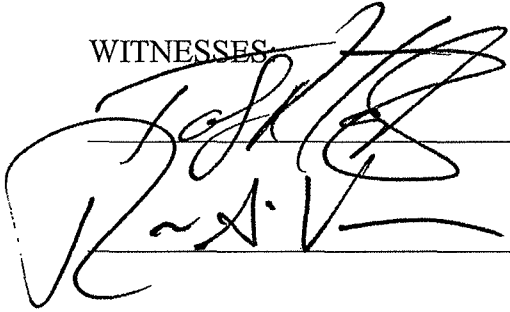
Section 18.15 Amendment. No amendment, modification, or alteration of the terms of this Ground Lease shall be binding unless the same be in writing dated on or subsequent to the date hereof and duly executed by the parties hereto and consented to the extent required by Article VIII of the Agreement. No such amendment to this Ground Lease shall alter the obligations of the parties hereto in any manner inconsistent with the scope of their obligations as contemplated by the RFP.

Section 18.16 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another educational institution or the Board into another educational management board.

Section 18.17 Entire Agreement. This Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the Land and contains all of the terms and conditions agreed upon with respect to the lease of the Land, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System on the 12th day of August, 2004.

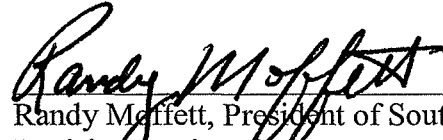
WITNESSES:



Two handwritten signatures are written over two horizontal lines. The top signature is more complex and stylized, while the bottom signature is simpler and appears to be 'Randy M.'.

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

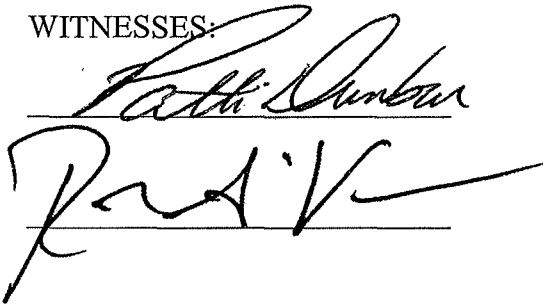
By:



Randy Moffett, President of Southeastern Louisiana University

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of University Facilities, Inc. on the 12th day of August, 2004.

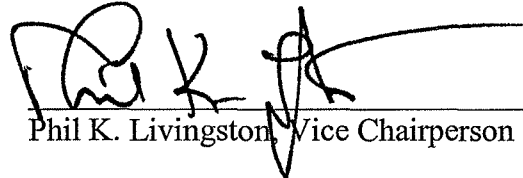
WITNESSES:



Two handwritten signatures are written over two horizontal lines. The top signature is 'Patricia Dunbar' and the bottom signature is 'Randy M.'.

UNIVERSITY FACILITIES, INC.

By:



Phil K. Livingston, Vice Chairperson

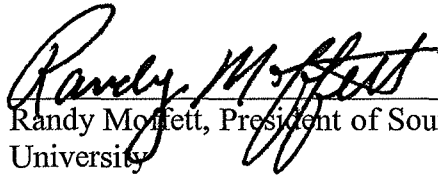
STATE OF LOUISIANA

PARISH OF ORLEANS


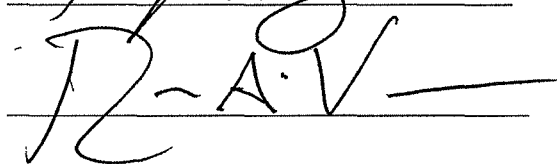
BE IT KNOWN, that on this 12th day of August, 2004, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

Randy Moffett

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.


Randy Moffett, President of Southeastern Louisiana
University

WITNESSES:


NOTARY PUBLIC

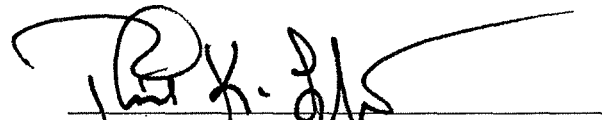
STATE OF LOUISIANA

PARISH OF ORLEANS


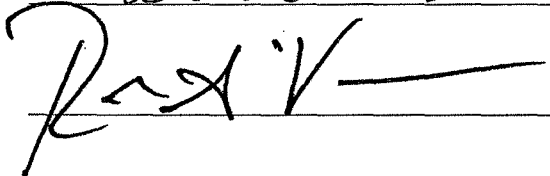
BE IT KNOWN, that on this 12th day of August, 2004, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

Phil K. Livingston

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Vice Chairperson of University Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.


Phil K. Livingston, Vice Chairperson

WITNESSES:


NOTARY PUBLIC

EXHIBIT "A"

LEGAL DESCRIPTIONS

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (0.46 Acre Tract - Cardinal Newman Hall):

A certain tract or parcel of land containing 0.46 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Beginning at the Southwest corner of the intersection of the sidewalks adjacent to the southernmost intersection of Pine Street & Dakota Street; thence South 14°46'47" West 144.30 feet; thence South 75°18'43" West 138.12 feet; thence North 14°44'13" West 144.28 feet; thence North 75°18'13" West 138.02 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 0.46 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46'03" West 240.96 feet to the Point of Beginning;

thence North 00°14'06" West 278.02 feet; thence North 89°50'08" East 252.70 feet; thence South 00°08'03" East 181.58 feet; thence South 89°48'33" West 39.94 feet; thence South 00°21'03" West 96.15 feet; thence South 89°49'36" West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey

Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land
Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana”
prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

EXHIBIT B

PERMITTED ENCUMBRANCES

1. Amended and Restated Ground Lease Agreement dated July 27, 2000 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.
2. Amended and Restated Agreement to Lease with Option to Purchase dated July 27, 2000 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.
3. Assignment of Leases and Rents dated July 27, 2000 by and between University Facilities, Inc., as assignor, and Hibernia National Bank, as assignee, relating to all leases and rents from the portion of the Facilities located on the 11.28 acre tract described as Tract 2 herein.

Lessor: Board of Supervisors for the University of Louisiana System
1201 North 3rd Street, Suite 7300
Baton Rouge, Louisiana 70802
Attention: Assistant Vice President for Facilities Planning

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

THUS DONE AND PASSED on the ___ day of August, 2004, in New Orleans, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Phil K. Livingston, Vice Chairperson, of University Facilities, Inc, and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
Phil K. Livingston, Vice Chairperson

NOTARY PUBLIC

FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

(a) Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

(i) Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - a. Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

(b) Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

Tangipahoa Parish Recording Page

44

Julian E. Dufreche
Clerk of Court
P. O. Box 667
110 North Bay Street, Suite 100
Amite, LA 70422
(985) 748-4146

Received From :
JONES WALKER

First VENDOR

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

First VENDEE

UNIVERSITY FACILITIES INC

Index Type : Conveyances

Instrument # : 672169

Type of Document : Lease - Conveyance Book

Book : 994 Page : 32

Recording Pages : 6

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Tangipahoa Parish, Louisiana

JODI DAIGLE

Deputy Clerk

On (Recorded Date) : 08/13/2004

At (Recorded Time) : 2:07:33 PM



Doc ID - 007577150006

Clerk Of Court
Julian E. Dufreche
Parish of Tangipahoa
I certify that this is a true copy of the attached
document that was filed for registry and
Recorded 08/13/2004 at 2:07:33
File Number 672169
Recorded in Book 994 Page 32



Jodi Daigle
Deputy Clerk

Return To :

MEMORANDUM OF GROUND LEASE

| | | |
|----------------------|---|-----------------------|
| STATE OF LOUISIANA | § | |
| | § | KNOW ALL MEN BY THESE |
| PRESENTS: | | |
| PARISH OF TANGIPAHOA | § | |

MEMORANDUM OF LEASE

This Memorandum of Lease (this "Memorandum") is entered into by and between the Board of Supervisors for the University of Louisiana System ("Lessor") and University Facilities, Inc. ("Lessee").

RECITALS

A. Lessor and Lessee have entered into a Ground Lease Agreement dated as of August 1, 2004 and executed August 13, 2004 (the "Lease"), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on **Exhibit A** attached hereto and incorporated herein (the "Land") and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on August 13, 2004 and shall continue until midnight on August 1, 2044, unless sooner terminated or extended as provided in the Lease.
2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.
3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

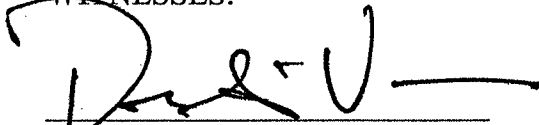
Lessor: Board of Supervisors for the University of Louisiana System
1201 North 3rd Street, Suite 7300
Baton Rouge, Louisiana 70802
Attention: Assistant Vice President for Facilities Planning


Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

THUS DONE AND PASSED on the 12th day of August, 2004, in New Orleans, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Phil K. Livingston, Vice Chairperson, of University Facilities, Inc, and me, Notary.

WITNESSES:





UNIVERSITY FACILITIES, INC.

By: 

Phil K. Livingston, Vice Chairperson



NOTARY PUBLIC

EXHIBIT "A"

LEGAL DESCRIPTIONS

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (0.46 Acre Tract - Cardinal Newman Hall):

A certain tract or parcel of land containing 0.46 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Beginning at the Southwest corner of the intersection of the sidewalks adjacent to the southernmost intersection of Pine Street & Dakota Street; thence South 14°46'47" West 144.30 feet; thence South 75°18'43" West 138.12 feet; thence North 14°44'13" West 144.28 feet; thence North 75°18'13" West 138.02 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 0.46 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46'03" West 240.96 feet to the Point of Beginning;

thence North 00°14'06" West 278.02 feet; thence North 89°50'08" East 252.70 feet; thence South 00°08'03" East 181.58 feet; thence South 89°48'33" West 39.94 feet; thence South 00°21'03" West 96.15 feet; thence South 89°49'36" West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey

Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land
Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana”
prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

EXECUTION VERSION

THIRD SUPPLEMENTAL
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.
(as Lessor)

and

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessee)

Dated as of November 1, 2013

in connection with:

\$40,910,000

Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000

Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

AND

\$5,545,000

Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000

Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

| | <u>Page</u> |
|-------------|---|
| Section 1. | Definitions 2 |
| Section 2. | Agreement to Lease; Term of Lease. 13 |
| Section 3. | Acknowledgments, Representations and Covenants of the Board 14 |
| Section 4. | Representations and Covenants of the Corporation. 17 |
| Section 5. | Waiver and Disclaimer of Warranties 17 |
| Section 6. | Rental 18 |
| Section 7. | Operation, Alterations, Maintenance, Repair, Replacement and Security Service. 22 |
| Section 8. | Utilities..... 23 |
| Section 9. | Insurance. 23 |
| Section 10. | Condemnation, Casualty and Other Damage. 25 |
| Section 11. | Application of Insurance Proceeds; Condemnation Award. 25 |
| Section 12. | Encumbrances. 26 |
| Section 13. | Assignment and Sublease. 27 |
| Section 14. | Additions and Improvements Removal. 27 |
| Section 15. | Right of Entry..... 28 |
| Section 16. | Mortgage Prohibition..... 28 |
| Section 17. | Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation’s Interest. 28 |
| Section 18. | Quiet Enjoyment. 28 |
| Section 19. | Environmental Compliance and Indemnity. 29 |
| Section 20. | The Corporation’s Reservation of Rights. 29 |
| Section 21. | Default by the Board. 30 |
| Section 22. | Cumulative Remedies..... 31 |
| Section 23. | Option to Purchase. 31 |
| Section 24. | Severability. 33 |
| Section 25. | Redemption of Bonds. 33 |
| Section 26. | Additional Bonds..... 34 |
| Section 27. | Execution. 34 |
| Section 28. | Law Governing..... 34 |
| Section 29. | Nonappropriation of Funds. 34 |
| Section 30. | Exculpatory Provision. 34 |
| Section 31. | Amendments. 35 |
| Section 32. | Recording..... 35 |
| Section 33. | Construction Against Drafting Party. 35 |
| Section 34. | Time of the Essence..... 35 |
| Section 35. | No Waiver..... 35 |
| Section 36. | Survival..... 35 |
| Section 37. | Counterparts..... 35 |
| Section 38. | Estoppel Certificates..... 35 |
| Section 39. | Waiver of Jury Trial. 36 |
| Section 40. | Written Amendment Required. 36 |
| Section 41. | Entire Agreement. 36 |
| Section 42. | Signs. 36 |
| Section 43. | Litigation Expenses. 36 |
| Section 44. | Brokers. 36 |
| Section 45. | No Easements for Air or Light..... 36 |

| | | |
|-------------|----------------------------------|----|
| Section 46. | Binding Effect | 37 |
| Section 47. | Rules of Interpretation | 37 |
| Section 48. | Relationship of Parties..... | 37 |
| Section 49. | Law Between the Parties..... | 37 |
| Section 50. | Notices..... | 37 |
| EXHIBIT A | DESCRIPTION OF FACILITIES | |
| EXHIBIT B | MEMORANDUM OF SUPPLEMENTAL LEASE | |

THIRD SUPPLEMENTAL
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

This THIRD SUPPLEMENTAL AGREEMENT TO LEASE WITH OPTION TO PURCHASE (together with any amendment hereto or supplement hereof, the “*Facilities Lease*”), dated and effective as of November 1, 2013, is entered into by and between UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by its Joseph Morris, Executive Director (the “*Corporation*”); and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the “*Board*”), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the “*University*”), which Board is represented herein by John L. Crain, President of the University and Board Representative, duly authorized, supplements and amends that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation (the “*Prior Facilities Lease*”).

WITNESSETH:

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private non-profit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Corporation;

WHEREAS, in order to further these functions of the Board, by demolition of certain existing facilities and renovation, development and construction of housing and related facilities for students, faculty and staff on the campus of the University (the “*Campus*”), the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such housing and related facilities and leasing such housing facilities back to the Board;

WHEREAS, pursuant to the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the “*Prior Ground Lease*”), the Board leased certain property (the “*Property*”) to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of the Prior Facilities Lease;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A.

(the “Trustee”), dated as of August 1, 2004 (the “Series 2004 Indenture”), the Issuer issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “Series 2004A Bonds”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “Series 2004B Bonds”) and, together with the Series 2004A Bonds, the “Series 2004 Bonds”);

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the “Series 2004 Loan Agreement”), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “Series 2004 Facilities”), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a debt service reserve fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the “Series 2007 Indenture”), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the “Series 2007A Bonds”) and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the “Series 2007B Bonds”) and, together with the Series 2007A Bonds, the “Series 2007 Bonds”);

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the “Series 2007 Loan Agreement”), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Series 2007 Facilities (as defined herein), (ii) fund a deposit to a debt service reserve fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 31 of the Prior Facilities Lease and Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 of the Series 2007 Loan Agreement provide that, with the written consent of the Bond Insurer (as hereinafter defined) the Prior Facilities Lease may be amended in order to amend or modify the Prior Facilities Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Bond Insurer or the Trustee; and

WHEREAS, the Issuer is issuing its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the “Series 2013 Bonds”) in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Facilities Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of and as used in this Facilities Lease, have the meanings as set forth below. All other capitalized terms used herein without definition shall have the meanings as set forth in

the Indenture (as hereinafter defined). Other terms shall have the meanings assigned to them in other Sections of this Facilities Lease.

“*Additional Bonds*” means bonds, if any, issued in one or more series on a parity with the Series 2004 Bonds and the Series 2013 Bonds pursuant to Article V of the Indenture or on a parity with the Series 2007 Bonds pursuant to the Series 2007 Indenture.

“*Additional Housing Debt*” means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Rents.

“*Additional Phase Four Debt*” means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Series 2007 Lawfully Available Funds.

“*Additional Facilities*” means, collectively, any Additional Housing Facilities and Additional Parking Facilities.

“*Additional Housing Facilities*” means any additional student housing facilities owned or leased by the Board or the Corporation that have been incorporated with the Series 2004 Facilities into a single housing system pursuant to Section 3(i) hereof

“*Additional Parking Facilities*” means any additional intermodal parking facilities owned or leased by the Board or the Corporation that have been incorporated with the Series 2007 Facilities into a single intermodal parking system pursuant to Section 3(i) hereof.

“*Additional Rental*” means the amounts specified as such in Section 6I of this Facilities Lease.

“*Administrative Expenses*” means the necessary, reasonable and direct out-of-pocket expenses incurred by the Issuer or the Trustee pursuant to the Indenture and the Agreement, the compensation of the Trustee under the Indenture (including, but not limited to any annual administrative fee charged by the Trustee), the compensation of the Issuer, any amounts due to the Bond Insurer under the Reimbursement Agreement and the necessary, reasonable and direct out-of-pocket expenses of the Trustee incurred by the Trustee in the performance of its duties under the Indenture.

“*Agreement*” mean, collectively, (i) the Series 2004 Agreement as supplemented and amended by the Series 2013 Agreement and (ii) the Series 2007 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Annual Debt Service*” means the amount required to pay all principal of and interest on a series of Bonds and any Additional Housing Debt, as applicable, in any Fiscal Year. For purposes of calculating the Annual Debt Service on a series of Bonds or Additional Housing Debt or Additional Phase Four Debt the interest rate borne by which is not fixed to the maturity thereof on any date, for any period during which an interest swap or similar agreement shall be in effect whereunder the Corporation or the Board pays a fixed rate and the swap provider pays a floating rate that, in the judgment of the Authorized Corporation Representative (as evidenced by a certificate delivered to the Trustee) approximates the variable rate payable on such series of Bonds or Additional Housing Debt or Additional Phase Four Debt, the interest rate on such series of Bonds or Additional Housing Debt or Additional Phase Four Debt shall be deemed to be

equal to the fixed rate payable by the Corporation or the Board under such interest swap or similar agreement and for any period during which such an agreement shall not be in effect the interest rate on such Bonds or Additional Housing Debt or Additional Phase Four Debt shall be deemed to be the average interest rate borne by such series of Bonds or Additional Housing Debt or Additional Phase Four Debt during the immediately preceding twelve (12) month period or, if such series of Bonds or Additional Housing Debt or Additional Phase Four Debt has borne a floating rate for less than twelve (12) months, such series of Bonds or Additional Housing Debt or Additional Phase Four Debt shall be treated as if it bears interest at the 25-year Revenue Bond Index as published by *The Bond Buyer* on the date of determination.

“*Auction Rate Bonds*” means the Series 2004B Bonds so long as they are in Auction Rate Mode.

“*Authorized Corporation Representative*” means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

“*Auxiliary Revenues*” means the amount of all funds or revenues held by the University derived by Auxiliary Enterprises and any earnings thereof from the self-generated fees, rates, charges or income received by students, faculty or the public in connection with the utilization or operation of Auxiliary Enterprises after payment of any Auxiliary Enterprises expenses. The Auxiliary Enterprises of the University include the following, subject to modification from time to time: 1) student service fees for the operation of the University’s Textbook Rental, ID Card Services, Student Health Center and Student Union 2) certain commissions received from Food Service contractors, Retail Bookstore operations and Vending operations and 3) the sales of copying services. Auxiliary Revenues shall not include student fees specifically assessed by the University to service any outstanding obligations or any capital funds received by outside contractors required to make building improvements for their delivery of services.

“*Base Rental*” means the amounts referred to as such in Section 6(b) of this Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms hereof) but does not include Additional Rental.

“*Board*” means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University and on its own behalf.

“*Board Representative*” means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Facilities Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Business and Finance, or his or her designee, the President or Vice President for Administration and Finance of the University, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

“*Bond Documents*” shall have the meaning set forth in the Series 2013 Indenture.

“*Bond Insurer*” means, collectively, the Series 2004 Bond Insurer and the Series 2007 Bond Insurer.

“*Bonds*” means, collectively, the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds and any Additional Bonds issued pursuant to a supplemental Indenture as authorized hereby.

“*Budget*” means the University’s budget as approved by the Board for any Fiscal Year during the Term.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*CERCLA*” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§9601 et seq.).

“*Claim*” collectively means any claim, liability, demand, loss, damage, deficiency, litigation, cause of action, penalty, fine, judgment, defense, imposition, fee, lien, bonding cost, settlement, disbursement, penalty, cost or expenses of any and every kind and nature (including without limitation Litigation Expenses), whether known or unknown, incurred or potential, accrued, absolute, direct, indirect, contingent or otherwise and whether imposed by strict liability, negligence, or otherwise, and consequential, punitive and exemplary damage claims.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“*Commencement Date*” means the effective date of this Facilities Lease, which is November 13, 2013.

“*Corporation*” means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payments or provision for payment of all of the Bonds.

“*Debt Service Coverage Ratio for the Housing Facilities*” means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Net Revenues of the Series 2004 Facilities for such Fiscal Year by Annual Debt Service on the Series 2004B Bonds, the Series 2013 Bonds and on any Additional Housing Debt issued and proposed to be issued on a parity therewith for such Fiscal Year; provided, however, that for the purpose of calculating the Debt Service Coverage Ratio for the Housing Facilities pursuant to subsection (i) of Section 3(i) hereof, to determine whether the Board may build, acquire or renovate any Additional Housing Facilities, the numerator of the fraction representing the Debt Service Coverage Ratio for the Housing Facilities shall be increased by the additional anticipated revenues, if any, to be derived from the Additional Housing Facilities constructed with the proceeds resulting from the Additional Housing Debt as certified by the Vice-President for Administration and Finance of the University.

“*Debt Service Coverage Ratio for the Parking Facilities*” means, for any Fiscal Year, the ratio determined by the Vice President for Administration and Finance of the University by dividing the amount of Auxiliary Revenues and the Student Fee for such Fiscal Year by Annual Debt Service on the Series 2007 Bonds outstanding and on any Additional Bonds issued and proposed to be issued on a parity therewith for such Fiscal Year.

“*Debt Service Coverage Ratio for the University*” means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Lawfully Available Funds for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Housing Debt issued and proposed to be issued for such Fiscal Year.

“*Debt Service Fund*” means, collectively, the Series 2004B Debt Service Fund, the Series 2007 Debt Service Fund and the Series 2013 Debt Service Fund.

“*Debt Service Reserve Fund*” mean, collectively, the Series 2004B Debt Service Reserve Fund, the Series 2007 Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund.

“*Debt Service Reserve Fund Requirement*” means, collectively, the Series 2004 Debt Service Reserve Fund Requirement, the Series 2007 Debt Service Reserve Fund Requirement and the Series 2013 Debt Service Reserve Fund Requirement.

“*Default or Delay Rental*” means and shall consist of (i) all amounts, fees or expenses which the Corporation may be legally obligated to pay to Other Parties by reason of any default of the Board hereunder or any delay in payment of any sums due by the Board hereunder; and (ii) all costs, expenses and charges, including reasonable Legal Expenses, incurred by the Corporation whether by suit or otherwise, in collecting sums payable hereunder or in enforcing any covenant or agreement of the Board contained in this Facilities Lease or incurred in obtaining possession of the Facilities after default by the Board.

“*Encumbrance*” means any lien, mortgage, encumbrance, privilege, charge, option, right of first refusal, conditional sales contract, security interest, mechanic’s and materialmen’s liens, or any lien or encumbrance securing payment of any Claims, including environmental Claims, or of any charges for labor, materials, supplies, equipment, taxes, or utilities, excluding the Option granted to the Board herein.

“*Environmental Requirements*” means all State, federal, local, municipal, parish, and regional laws, statutes, rules, regulations, ordinances, codes, permits, approvals, plans, authorizations, concessions, investigation results, guidance documents; all legislative, judicial, and administrative judgments, decrees, orders, rules, rulings, and regulations; and all agreements and other restrictions and requirements in effect on or prior to the Commencement Date, of any Governmental Authority, including, without limitation, federal, state, and local authorities, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, or pollutants, and including without limitation the following environmental laws: The Clean Air Act (42 U.S.C.A. §1857); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901); CERCLA, as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601); the Clean Water Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §30); the Occupational Safety and Health Act (29 U.S.C. §651); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §135); the Louisiana Environmental Quality Act (La. R.S. 30:2001); and the Louisiana Air Quality Regulations (La. C. 33:III.2595) including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

“*Event of Default*” means any default specified in and defined as such by Section 21 hereof.

“*Existing Facilities Lease*” means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation.

“*Existing Ground Lease*” means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation.

“*Expiration Date*” means the earlier of August 1, 2047, or the date that all amounts owed under the Indenture have been paid.

“*Extraordinary Rental*” means the amounts specified as such in Section 6(j) of this Facilities Lease.

“*Facilities*” means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached to the Ground Lease, as amended and supplemented in accordance with the provisions of the Agreement, which were renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds.

“*Facilities Lease*” means the Existing Facilities Lease as supplemented and amended by this Third Supplemental Facilities Lease, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

“*Fiscal Year*” means the fiscal year of the State, which at the date of this Facilities Lease is the period from July 1 to and including the following June 30.

“*Governmental Authority*” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

“*Governmental Regulations*” means any and all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation reports, guidelines, and requirements or accreditation standards of any Governmental Authority having jurisdiction over the Corporation and/or the Board, or affecting the Facilities.

“*Ground Lease*” means the Existing Ground Lease, as supplemented and amended by the Third Supplemental Ground Lease.

“*Hazardous Substance*” means (a) any “hazardous substance” as defined in §101(14) of CERCLA or any regulations promulgated thereunder; (b) petroleum and petroleum by-products; (c) asbestos or asbestos containing material (“ACM”); (d) polychlorinated biphenyls; I urea formaldehyde foam insulation; or (f) any additional substances or materials which at any time are classified, defined or considered to be explosive, corrosive, flammable, infectious, radioactive, mutagenic, carcinogenic, pollutants, hazardous or toxic under any of the Environmental Requirements.

“*Indenture*” means, collectively, (i) the Series 2004 Indenture as supplemented and amended by the Series 2013 Indenture and (ii) the Series 2007 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Interest Payment Date*” or “*interest payment date*,” when used with respect to the Series 2004B Bonds that bear interest at a Fixed Rate, the Series 2007 Bonds and the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014, when used with respect to Auction Rate Bonds, means the Business Day following each Auction Date, and with respect to Variable Rate Bonds, means the dates set forth in the supplemental indenture executed in connection with the applicable Variable Rate Conversion.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

“*Land*” means the real property more particularly described on Exhibit A attached to the Ground Lease upon which certain existing facilities were demolished and upon which the Facilities were renovated, constructed and located.

“*Lawfully Available Funds*” means, collectively, the Series 2004 Lawfully Available Funds and the Series 2007 Lawfully Available Funds.

“*Legal Expenses*” means the reasonable fees and charges of attorneys and of legal assistants, paralegals, law clerks and other persons and entities used by attorneys and under attorney supervision and all costs incurred or advanced by any of them irrespective of whether incurred in or advanced prior to the initiation of any legal, equitable, arbitration, administrative, bankruptcy, trial or similar proceedings and any appeal from any of same.

“*Litigation Expenses*” means all out-of-pocket costs and expenses incurred as a result of a Default, or in connection with an indemnification obligation, including Legal Expenses, the reasonable fees and charges of experts and/or consultants, and all court costs and expenses.

“*Management Agreement*” means any Management Agreement or similar agreement, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

“*Management Company*” the Person serving as manager under any Management Agreement.

“*Management Fee*” means the fee, if any, owed to any Management Company pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

“*Maximum Annual Debt Service*” with respect to a series of Bonds issued under the Indenture, means the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or subject to mandatory sinking fund redemption.

“*Net Revenues of the Housing Facilities*” means, with respect to any period, the excess of the Rents (determined on a cash basis) over Operating Expenses (before extraordinary items) of the Series 2004 Facilities and any Additional Housing Facilities, determined in accordance with generally accepted accounting principles, and excluding: (a) any profits or losses on the sale or disposition, not in the ordinary course of business, of investments or fixed or capital assets or resulting from the early extinguishment of debt; (b) gifts, grants, bequests, donations and contributions, to the extent specifically restricted by the donor to a particular purposes inconsistent with their use for the payment of Annual Debt

Service on the Series 2004B Bonds, the Series 2013 Bonds or Additional Housing Debt; and (c) the net proceeds of insurance (other than business interruption insurance) and condemnation awards.

“*Notice*” shall have the meaning set forth in Section 51 hereof.

“*Operating Expenses*” means, with respect to the Series 2004 Bonds and the Series 2013 Bonds, the current expenses of operation, maintenance and current repair of the Series 2004 Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Series 2004 Facilities and the ownership thereof by the Board, payments with respect to worker’s compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Issuer (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Series 2004 Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. “*Operating Expenses*” will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Series 2004 Bonds or Series 2013 Bonds; (3) any allowance for depreciation or replacements of capital assets of the Series 2004 Facilities; or (4) amortization of financing costs.

“*Option to Purchase*” or “*Option*” means the option to purchase the Corporation’s interest in the Facilities granted in Section 23 of this Facilities Lease.

“*Other Parties*” means a Person other than the Parties.

“*Parties*” means, collectively, the Corporation and the Board.

“*Permitted Sublessees*” means, collectively, the Series 2004 Permitted Sublessees and the Series 2007 Permitted Sublessees.

“*Permitted Use*” means, (i) with respect to the Series 2004 Facilities, the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Series 2004 Permitted Sublessees and for purposes related to or associated with the foregoing and (ii) with respect to the Series 2007 Facilities, the operation of the Series 2007 Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Series 2007 Permitted Sublessees and for purposes related to or associated with the foregoing.

“*Person*” means all juridical persons, whether corporate or natural, including individuals, firms, trusts, corporations, associations, joint ventures, partnerships, and limited liability companies or partnerships.

“*Principal Payment Date*” means each August 1, commencing August 1, 2014.

“*Project Fund*” means the fund of that name created under the Indenture.

“*Receipts Fund*” means, collectively, the Series 2004 Receipts Fund and the Series 2007 Receipts Fund.

“*Remediation*” means any and all costs incurred due to any investigation of the Facilities or any remediation, response, cleanup, removal, or restoration required by any Governmental Regulation or Governmental Authority or by Environmental Requirements.

“*Rental*” means and includes the Base Rental and Additional Rental.

“*Rents*” means all revenues actually received from any source by, or on behalf the Board or the University with respect to the Series 2004 Facilities and any Additional Housing Facilities, including without duplication, all collected rents and other charges for the use or occupancy of the Series 2004 Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Series 2004 Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants’ security deposits unless and until applied in satisfaction of tenants’ obligations as provided for in the Management Agreement and excluding refunds and reimbursements due to students in accordance with University policy.

“*Replacement Fund*” means, collectively, the Series 2004 Replacement Fund and the Series 2007 Replacement Fund.

“*Series 2004 Agreement*” means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Bonds*” means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

“*Series 2004A Bonds*” means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, initially bearing interest at the Fixed Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$60,985,000, including such Series 2004A Bonds issued in exchange for other such Series 2004A Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004A Bonds pursuant to the Indenture.

“*Series 2004B Bonds*” means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B, initially bearing interest at the Auction Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$15,000,000, including such Series 2004B Bonds issued in exchange for other such Series 2004B Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004B Bonds pursuant to the Indenture.

“*Series 2004 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

“*Series 2004 Debt Service Fund*” means the Debt Service Fund created pursuant to the Series 2004 Indenture.

“*Series 2004 Debt Service Reserve Fund*” means the Debt Service Reserve Fund created pursuant to the Series 2004 Indenture.

“*Series 2004 Debt Service Reserve Fund Requirement*” means, with respect to the Series 2004B Bonds, the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue

discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2004 Facilities*” means the student housing and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2004 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Lawfully Available Funds*” means all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, including Rents.

“*Series 2004 Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Series 2004 Facilities for a period of one (1) month or less pursuant to a concession or other housing arrangement with the University.

“*Series 2004 Receipts Fund*” means the Receipts Fund created pursuant to the Series 2004 Indenture.

“*Series 2004 Replacement Fund*” means the Replacement Fund created pursuant to the Series 2004 Indenture.

“*Series 2007 Agreement*” means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2007 Bonds, and any successor thereto.

“*Series 2007 Bonds*” means, collectively, the Series 2007A Bonds and the Series 2007B Bonds.

“*Series 2007A Bonds*” means the Issuer’s \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A

“*Series 2007B Bonds*” means the Issuer’s \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

“*Series 2007 Debt Service Fund*” means the Debt Service Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Debt Service Reserve Fund*” means the Debt Service Reserve Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Debt Service Reserve Fund Requirement*” means, with respect to the Series 2007 Bonds, the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average

Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2007 Facilities*” means the parking and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2007 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Lawfully Available Funds*” means, collectively, the Auxiliary Revenues and the Student Fee Revenues, as designated by the Board in its budget process to make Rental payments.

“*Series 2007 Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Series 2007 Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

“*Series 2007 Receipts Fund*” means the Receipts Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Replacement Fund*” means the Replacement fund created pursuant to the Series 2007 Indenture.

“*Series 2013 Agreement*” means the First Supplemental Loan Agreement dated as of November 1, 2013, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2013 Bonds*” means the Issuer’s \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

“*Series 2013 Debt Service Fund*” means the Series 2013 Debt Service Fund created pursuant to the Series 2013 Indenture.

“*Series 2013 Debt Service Reserve Fund*” means the Series 2013 Debt Service Reserve Fund created pursuant to the Series 2013 Indenture.

“*Series 2013 Debt Service Reserve Fund Requirement*” means, with respect to the Series 2013 Bonds, one-half (1/2) of the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2013 Indenture*” means that certain First Supplemental Trust Indenture by and between the Trustee and the Issuer dated as of November 1, 2013, supplementing and amending the Series 2004 Indenture.

“*Stadium Expansion*” means the Football Stadium Improvements described in Exhibit A hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Stadium Expansion Land*” means the real property more particularly described on Exhibit A to the Ground Lease upon which the Stadium Expansion were renovated, constructed and located.

“*State*” means the State of Louisiana.

“*Student Fee*” means the student parking garage fee assessed on all University students for the planning, building and maintaining of a University parking garage, as designated by the Board in its budget process to make Rental payments with respect to the Series 2007 Bonds. The referendum for the fee of \$20.00 per semester and \$10.00 each summer was voted on and passed by students at the University on October 24-26, 2005.

“*Student Fee Revenues*” means the amount of all funds or revenues held by the University derived by the Student Fee.

“*Term*” means the term of this Facilities Lease, as provided in Section 2 hereof.

“*Third Supplemental Facilities Lease*” means that certain Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 by and between the Corporation and the Board.

“*Third Supplemental Ground Lease*” means this Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 by and between the Board and the Corporation.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

Section 2. Agreement to Lease; Term of Lease. The Corporation hereby leases the Facilities to the Board, and the Board hereby leases the Facilities from the Corporation effective as of the Commencement Date of this Facilities Lease and agrees upon completion of construction of the Facilities to accept possession of the Facilities and agrees to pay the Base Rental, the Additional Rental and the Extraordinary Rental as provided herein for the use and occupancy of the Facilities, all on the terms and conditions set forth herein. The Board agrees that it will take immediate possession of the Facilities. The Term of this Facilities Lease begins on the Commencement Date and ends on the Expiration Date; provided, however, this Facilities Lease shall terminate prior to the Expiration Date upon the happening of any of the following events:

(a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture;

(b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation’s interest in the Facilities pursuant to the Option; or

(c) any other event described in this Facilities Lease which is specifically stated to cause a termination of this Facilities Lease, including without limitation a Default by the Board, and the failure of the Board to appropriate or cause to be appropriated an amount necessary to pay the Base Rental, all as set forth in Sections 21 and 29 hereof.

Upon the termination of the Facilities Lease under the circumstances set forth in Section 2(a) above, at the Board's option, the Board may require the demolition of the Facilities as set forth in Section 12.02 of the Ground Lease.

Section 3. Acknowledgments, Representations and Covenants of the Board. The Board represents, covenants and agrees as follows:

(a) The Board has full power and authority to enter into this Facilities Lease, the Ground Lease, and the transactions contemplated thereby and agrees to perform all of its obligations hereunder and under the Ground Lease;

(b) The Board has been duly authorized to execute and deliver this Facilities Lease and the Ground Lease and further represents and covenants that this Facilities Lease and the Ground Lease constitute the valid and binding obligations of the Board and that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Facilities Lease and the Ground Lease and the Board has complied with all constitutional and other statutory requirements as may be applicable to the Board in the authorization, execution, delivery and performance of this Facilities Lease and the Ground Lease;

(c) The execution and delivery of this Facilities Lease and the Ground Lease, and compliance with the provisions hereof, will not conflict with or constitute on the part of the Board a violation of, breach of, or default under any constitutional provision, statute, law, resolution, bond indenture or other financing agreement or any other agreement or instrument to which the Board is a party or by which the Board is bound, or any order, rule or regulation of any court or Governmental Authority or body having jurisdiction over the Board or any of its activities or properties with respect to the Facilities; and all consents, approvals or authorizations required of the Board for the consummation of the transactions contemplated hereby have been obtained or timely will be obtained;

(d) Other than that which was previously disclosed, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Board, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease and the Ground Lease;

(e) The Board will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes;

(f) The Board agrees to cause the Facilities to be used for the Permitted Use and shall not allow the Facilities to be used for any other use. No more than five percent (5%) of the gross area of the Facilities will be subleased by the Board or by any sublessees or assigns of the Board to, or otherwise used by, private business and the Board agrees to take all action, to the extent it is legally authorized and able to do so, necessary to prevent the Bonds from being deemed "private activity bonds" within the meaning of Section 141 of the Code.

(g) (i) The use of the Series 2004 Facilities is essential to the operation of the University by providing modern housing and related facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Series 2004 Lawfully Available Funds for use of the Series 2004 Facilities. There are no alternative facilities available for use as contemplated for the Facilities since there is currently a shortage of available, modern on-campus housing at the University.

(ii) The use of the Series 2007 Facilities is essential to the operation of the University by providing modern intermodal parking facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Series 2007 Lawfully Available Funds for use of the Series 2007 Facilities. There are no alternative facilities available for use as contemplated for the Series 2007 Facilities.

(h) (i) The Board hereby covenants and agrees to maintain a Debt Service Coverage Ratio for the Housing Facilities of not less than 1.10:1.00 and a Debt Service Coverage Ratio for the University of not less than 1.25:1.00. The Board covenants that, as long as any bonds, notes or lease obligations remain outstanding that are payable from Series 2004 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Housing Facilities falls below 1.10:1.00 or the Debt Service Coverage Ratio for the University falls below 1.25:1.0, the Board shall use its best efforts to raise its fees, rentals, rates and charges relating to the Series 2004 Facilities so that within two (2) full semesters after either of the Debt Service Coverage Ratio for the Housing Facilities or the Debt Service Coverage Ratio of the University becomes deficient, the Debt Service Coverage Ratio for the Housing Facilities equals 1.10:1.00 and the Debt Service Coverage Ratio for the University equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Housing Facilities is still below 1.10:1.00 or the Debt Service Coverage Ratio for the University is still below 1.25:1.0, the Board shall hire an outside consultant, approved by the Series 2004 Bond Insurer, and the Board shall follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Series 2004 Facilities, including raising fees and rents, reducing expenses and, if necessary, increasing the average occupancy rate through strict enforcement of parietal rules requiring students to reside on campus and, to the extent legally possible, revising parietal rules to increase the number of students required to reside on campus. So long as the Board is working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio for the Housing Facilities or any deficient Debt Service Coverage Ratio of the University, there shall not be an Event of Default hereunder unless (i) the Debt Service Coverage Ratio for the Housing Facilities is less than 1.00:1.00 at the end of any Fiscal Year or (ii) the Debt Service Coverage Ratio of the University is less than 1.10 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees, rentals, rates and charges and calculating the Debt Service Coverage Ratio for the Housing Facilities and the Debt Service Coverage of the University for this Section, the Board shall take into account payments required to be made into the Series 2004 Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund pursuant to the Series 2004 Indenture, as supplemented and amended by the Series 2013 Indenture. The Board further covenants that it will seek any required approval necessary in order to comply with this covenant.

(ii) The Board covenants that, as long as any bonds, notes, or lease obligations remain outstanding that are payable from Series 2007 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Parking Facilities shall fall below 1.25:1.0, the Board will use its best efforts to continue to levy and collect the fees and charges relating to the Series 2007 Facilities so that within two (2) full semesters after the Debt Service Coverage Ratio for the Parking Facilities shall become deficient, the Debt Service Coverage Ratio for the Parking Facilities equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Parking Facilities shall remain below 1.25:1.0, the Board will be required to hire an outside consultant, approved by the Series 2007 Bond Insurer, and the Board will be required to follow any reasonably feasible recommendations of such consultant regarding

the operation and management of the Series 2007 Facilities. So long as the Board shall be working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio for the Parking Facilities, there will not be an Event of Default under this Facilities Lease unless (i) the Debt Service Coverage Ratio for the Parking Facilities shall be less than 1.25 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees and charges and calculating the Debt Service Coverage Ratio for the Parking Facilities, the Board will be required to take into account payments required to be made into the Series 2007 Debt Service Reserve Fund pursuant to the provisions of the Series 2007 Indenture. The Board will further covenant that it will seek any required approval necessary in order to comply with the covenant described under this subheading.

(i) (i) The University will not build, acquire or renovate any similar student housing facilities, whether such facilities are owned by the University or a private entity, unless (A) the Series 2004 Facilities have met a Debt Service Coverage Ratio for the Housing Facilities of at least 1.25:1.00 for the prior Fiscal Year, (B) the Series 2004 Facilities are projected to meet a Debt Service Coverage Ratio of at least 1.25:1.00 for the Housing Facilities for the two Fiscal Years following the projected completion of the proposed facility and (C) based on a market analysis prepared by a market research company with experience in student or multi-family housing, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Series 2004 Facilities. Such additional student housing facilities owned or leased by the Board or the Corporation shall be incorporated with the Series 2004 Facilities into a single housing system so that such additional student housing facilities and all revenues derived therefrom shall secure the Bonds, and the Series 2004 Facilities and the revenues derived therefrom, including all revenues derived from the Facilities Lease, will secure any debt incurred to finance such additional student housing facilities. In addition, the Mortgage (as defined in the Series 2004 Indenture) shall be amended to encumber any such Additional Housing Facilities and any revenues derived therefrom to secure the Series 2004 Bonds and any debt incurred to finance such Additional Housing Facilities. So long as the Series 2004 Bonds are outstanding, the consent of the Series 2004 Bond Insurer shall also be required prior to the construction, acquisition or renovation of such student housing facilities unless (A) – (C) above have been satisfied.

(ii) Without the prior written consent of the Series 2007 Bond Insurer, the University will not build, acquire or renovate any similar parking facilities, whether such facilities are owned by the University or a private entity, unless (i) the Debt Service Coverage Ratio for the Parking Facilities for the prior Fiscal Year has been met, (ii) the Debt Service Coverage Ratio for the Parking Facilities is projected to be met for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in university parking facilities, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Series 2007 Facilities.

(j) So long as any Series 2004 Bonds remain outstanding, the University shall maintain its policy of requiring all unmarried, full-time undergraduate students with less than 60 credit hours to live in on-campus residence halls. It is understood that the University currently permits certain exceptions to that policy and, except as set forth in Section 4(h) above, the University may continue to permit those exceptions but it shall make no voluntary revisions to such policy that would reduce the number of students required to live in on-campus residence halls (including, without limitation, reducing the number of credit hours to less than 60, increasing the course-load required for status as a "full-time" student or modifying any existing exemptions from the policy), until the Series 2004 Bonds have been paid in full or the Series 2004 Bond Insurer consents in writing to a change in such policy.

(k) So long as any Series 2004 Bonds remain outstanding, the University shall actively promote the Series 2004 Facilities as a housing alternative and an integral part of the housing system of

the University. The University shall, among other things, provide housing brochures to prospective students and allow signs to be posted to promote the Series 2004 Facilities.

Section 4. Representations and Covenants of the Corporation. The Corporation makes the following representations and covenants:

(a) The Corporation has been validly created under the Louisiana Nonprofit Corporation Law, is currently in good standing under the laws of the State, has the power to enter into the transactions contemplated by, and to carry out its obligations under this Facilities Lease, the Ground Lease and the Agreement. The Corporation is not in breach of or in default under any of the provisions contained in any contract, instrument or agreement to which it is a party or in any other instrument by which it is bound. By proper action, the Corporation has been duly authorized to execute and deliver this Facilities Lease, the Ground Lease and the Agreement;

(b) The execution and delivery of this Facilities Lease, the Ground Lease and the Agreement, and compliance with the provisions thereof and hereof, will not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under any statute, indenture, mortgage, declaration or deed of trust, loan agreement or other agreement or instrument to which the Corporation is a party or by which the Corporation is bound or any order, rule or regulation of any court or Governmental Agency or body having jurisdiction over the Corporation or any of its activities or properties; and all consents, approvals and authorizations which are required of the Corporation for the consummation of the transactions contemplated thereby and hereby have been or timely will be obtained;

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease, the Ground Lease or any agreement or instrument to which the Corporation is a party;

(d) The Corporation will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes.

(e) No bonds, notes or other obligations secured by Series 2007 Lawfully Available Funds may be issued except as Additional Bonds. Additional Bonds may be issued secured by Series 2007 Lawfully Available Funds which will be on a parity with the Series 2007 Bonds only as and to the extent authorized and described in the Series 2007 Indenture, provided that, at the time of issuance thereof, no Event of Default or event which with notice or lapse of time, or both, would constitute an Event of Default shall have occurred and be continuing. The issuance of Additional Bonds is permitted as follows:

(A) Additional Bonds on a parity with the Series 2007 Bonds may be issued with the prior approval of the Series 2007 Bond Insurer but without the need for prior approval of the Bondholders.

(B) Bonds issued to refund the Series 2007 Bonds in their entirety may be issued without the need for prior approval of the Bondholders or the Series 2007 Bond Insurer.

Section 5. Waiver and Disclaimer of Warranties.

(a) The Board acknowledges that the Corporation has not made any representations or warranties as to the suitability or fitness of the Facilities for the needs and purposes of the Board or for any other purpose.

(b) The Board further declares and acknowledges that the Corporation in connection with this Facilities Lease, does not warrant that the Facilities will be upon completion of construction free from redhibitory or latent defects or vices and releases the Corporation of any liability for redhibitory or latent defects or vices under Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695. The Board declares and acknowledges that it does hereby waive the warranty of fitness for intended purposes and guarantee against hidden or latent redhibitory defects and vices under Louisiana law, including Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695, and the warranty imposed by Louisiana Civil Code Articles 2476 and 2695, and waives all rights in redhibition pursuant to Louisiana Civil Code Articles 2520, et seq. The Board further declares and acknowledges that this waiver has been brought to the attention of the Board and explained in detail and that the Board has voluntarily and knowingly consented to this waiver of warranty of fitness and/or warranty against redhibitory defects and vices for the Facilities. Notwithstanding the foregoing, the Board hereby retains all of its rights to proceed against any third parties with respect to such defects.

(c) The Corporation disclaims and the Board waives any warranties and representations with respect to compliance with Governmental Regulations, including Environmental Requirements, or the disposal of, or existence in, on, under, or about the Facilities of any Hazardous Substance. The Board acknowledges that the Corporation reserves in this Facilities Lease all rights to recover from the Board all costs and expenses imposed on the Corporation to bring the Facilities into compliance with any Environmental Requirement, and all costs of Remediation or cleanup of such Hazardous Substance imposed on the Corporation or the Board, which shall be payable by the Board as Additional Rental hereunder to the extent imposed upon the Corporation.

Section 6. Rental

(a) The Board, for and in consideration of the Corporation entering into the Ground Lease, renovating and/or constructing the Facilities in accordance with the Ground Lease and leasing the Facilities to the Board pursuant to the terms hereof, hereby covenants and agrees to pay the Base Rental and Additional Rental in the amounts, subject to amounts for which the Board is entitled to a credit as described in Section 6(d) hereof, at the times and in the manner set forth herein, such amounts constituting in the aggregate the total of the rental payable under this Facilities Lease. The obligation of the Board to make Base Rental and Additional Rental payments shall commence on the Commencement Date and shall not be subject to abatement, set-off or reduction as a result of a failure by the Corporation to complete construction of the Facilities on a timely basis.

(b) (i) The Board agrees to pay Base Rental with respect to the Series 2004 Bonds and the Series 2013 Bonds from the Series 2004 Lawfully Available Funds. Payments of Base Rental with respect to the Series 2004 Bonds and the Series 2013 Bonds shall be due on the dates and in the amounts as hereinafter provided:

(A) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-third (1/3rd) of the interest due and payable on such Bonds on the February 1, 2014 Interest Payment Date and thereafter, on the 25th day of each month, an amount equal to one-sixth (1/6th) of the interest due and payable on such Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series

2004 Debt Service Fund and the Series 2013 Debt Service Fund will be sufficient to pay interest on such Bonds on such Interest Payment Date;

(B) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, in an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund will be sufficient to pay interest on such Auction Rate Bonds on such Interest Payment Date;

(C) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund will be sufficient to pay interest on such Variable Rate Bonds on such Interest Payment Date;

(D) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-ninth (1/9th) of the principal of the Series 2004 Bonds and the Series 2013 Bonds payable on the August 1, 2014 Principal Payment Date and thereafter, on the twenty-fifth (25th) day of each month, an amount equal to one-twelfth (1/12th) of the principal due and payable on Bonds on the next Principal Payment Date;

(E) On the dates required in the Indenture, to the Trustee for deposit into any of the funds established in the Indenture, including, without limitation, the Series 2004 Debt Service Reserve Fund, the Series 2013 Debt Service Reserve Fund and the Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture; and

(F) Annually, beginning June 25, 2014, an amount equal to \$122,987.38 (representing one-half of one percent (1/2%) of the construction cost of the Facilities), into the Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Series 2004 Bond Insurer.

(ii) The Board agrees to pay Base Rental with respect to the Series 2007 Bonds from Series 2007 Lawfully Available Funds. Payments of Base Rental with respect to the Series 2007 Bonds shall be due on the dates and in the amounts as hereinafter provided:

(A) On the twenty-fifth (25th) day of each month, commencing March 25, 2007, in an amount equal to one-fifth (1/5th) of the interest due and payable on the Series 2007 Bonds on August 1, 2007 and thereafter, on the twenty-fifth (25th) day of each month commencing August 25, 2007, in an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2007 Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2007 Debt Service Fund will be sufficient to pay interest on such Series 2007 Bonds on such Phase Four Interest Payment Date;

(B) On the twenty-fifth (25th) day of each month, commencing March 25, 2007, in an amount equal to one-eleventh (1/11th) of the principal of the Series 2007 Bonds payable on February 1, 2008 and thereafter, on the twenty-fifth (25th) day of each month commencing February 25,

2008, in an amount equal to one-twelfth (1/12th) of the principal of such Series 2007 Bonds payable on the next Phase Four Principal Payment Date;

(C) On the twenty-fifth (25th) day of each month following any drawing on the Series 2007 Debt Service Reserve Fund in accordance with Section 4.18 of the Series 2007 Indenture, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Series 2007 Debt Service Reserve Fund to equal the Series 2007 Debt Service Reserve Fund Requirement within twelve (12) months or (ii) the excess of the Series 2007 Debt Service Reserve Fund Requirement over the amount on deposit in the Series 2007 Debt Service Reserve Fund;

(D) On the dates required in the Series 2007 Indenture, to the Trustee for deposit into any of the funds established in the Series 2007 Indenture, including, without limitation, the Series 2007 Debt Service Reserve Fund and the Series 2007 Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Series 2007 Indenture; and

(E) Annually, beginning June 25, 2009, an amount equal to one-half of one percent (1/2%) of funds available for construction of the Series 2007 Facilities, as determined by the University, into the Series 2007 Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Series 2007 Bond Insurer.

(c) In addition to the Base Rental set forth herein, the Board agrees to pay as Additional Rental any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation on behalf of the Board and/or by the Board or the University in the management, operation, ownership, and/or maintenance of the Facilities, to the extent such expenses are not paid by the Management Company under any Management Contract, including but not limited to the following costs and expenses:

(i) all taxes, assessments and impositions against the Facilities, including without limitation ad valorem taxes attributed to the Corporation on behalf of the Board (and any tax levied in whole or in part in lieu of or in addition to ad valorem taxes);

(ii) any costs incurred by the Corporation in maintaining the Facilities for the Board and making any alterations, restorations and replacements to the Facilities;

(iii) insurance premiums and other charges for insurance obtained with respect to the Facilities including insurance premiums, if any, on all insurance required under the provisions of Section 9 of this Facilities Lease;

(iv) any Default or Delay Rentals;

(v) all costs incurred by the Corporation in connection with its performance of its obligations relating to the Facilities and/or the Land under the Ground Lease and this Facilities Lease;

(vi) all Administrative Expenses owed to the Issuer or the Trustee;

(vii) Litigation Expenses, if any, incurred pursuant to Section 43 hereof;

(viii) any reimbursement amounts payable pursuant to Section 20 hereof or pursuant to any other provision hereof; and

(ix) any other costs, charges, and expenses commonly regarded as ownership, management, maintenance, and operating expenses, if any, incurred by the Corporation under this Facilities Lease.

Amounts constituting Additional Rental payable hereunder shall be paid by the Board directly to the person or persons to whom such amounts shall be due. The Board shall pay all such amounts when due or within thirty (30) days after notice in writing from the Corporation, the Management Company, or the Trustee to the Board stating the amount of the Additional Rental then due and the purpose thereof.

(d) The Board shall be entitled to a credit against and reduction of each Base Rental payment in an amount equal to any amounts derived from the following sources:

(i) Accrued interest derived from the sale of the Bonds;

(ii) Any capitalization of interest from the proceeds of the Bonds contained in the Capitalized Interest Fund under the Indenture;

(iii) the Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement.

(iv) Surplus moneys (including investment earnings) contained in the funds and accounts held by the Trustee under the Indenture, including the Debt Service Fund, the Debt Service Reserve Fund and the Replacement Fund;

(e) Notwithstanding any other provision of the Facilities Lease, the obligation of the Board to make payments under this Facilities Lease, including payments of Base Rental and Additional Rental, shall be subject to, and dependent upon, appropriation of Lawfully Available Funds necessary to make the payments required under this Facilities Lease. The Vice President for Finance and Administration of the Board shall cause the University to include in the Budget and, if necessary, any amendments to the Budget, an amount of Lawfully Available Funds sufficient to make the payments of Base Rental and Additional Rental described herein which amounts may or may not ultimately be appropriated by the Board for such purpose. Subject to the foregoing and Section 29 hereof, the obligations of the Board to make payments pursuant to this Facilities Lease, and to perform and observe the other agreements and covenants on its part contained herein, shall be absolute and unconditional and shall not be subject to any diminution, abatement, set-off, or counterclaim. Subject to the foregoing and Section 29 hereof, until such time as the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with this Facilities Lease, the Board shall not suspend or discontinue payment of Rental or any other payments pursuant to this Facilities Lease for any cause, and shall continue to perform and observe all of its agreements contained in this Facilities Lease. The Corporation and the Board acknowledge and agree that the obligation of the Board to pay Rental shall constitute a current expense of the Board payable by the Board from funds budgeted and appropriated in accordance with law for and in consideration of the right to use the Facilities during the Term and that such obligation shall not in any manner be construed to be a debt of the Board in contravention of any constitutional or statutory limitations or requirements concerning indebtedness of the Board and nothing contained herein shall constitute a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

(f) The payments of Base Rental and Additional Rental under this Facilities Lease for each Fiscal Year or portion thereof during the Term shall constitute the total Rental for such Fiscal Year or portion thereof and shall be paid by the Board for and in consideration of the construction by the

Corporation of the Facilities and the right to the use and occupancy of the Facilities by the Board for and during such Fiscal Year or portion thereof.

(g) Amounts necessary to pay each Base Rental payment shall be deposited by the Board on the dates set forth in Section 6(b) hereof in lawful money of the United States of America at the office of the Trustee or at such other place or places as may be established by the Corporation and/or Trustee in accordance with the Indenture. Any amount necessary to pay any Base Rental payment or portion thereof which is not so deposited shall remain due and payable until received by the Trustee. Notwithstanding any dispute between the Board and the Corporation hereunder, the Board shall make all Rental payments when due and shall not withhold payment of any Rental pending the final resolution of such dispute or for any other reason whatsoever.

(h) This Facilities Lease is intended to be a triple net lease. The Board agrees that the Rental provided for herein shall be an absolute net return to the Corporation free and clear of any expenses, charges, taxes, abatements, counterclaims, reductions or set-offs whatsoever of any kind, character or nature; it being understood and agreed to by the Board that the Board shall bear responsibility for the payment of all costs and expenses associated with the ownership, management, operation, and maintenance of the Facilities. Under no circumstances will the Corporation be required to make any payment on the Board's behalf or for the Board's benefit under this Facilities Lease, or assume any monetary obligation of the Board under this Facilities Lease, or with respect to the Facilities.

(i) The State, through the Division of Administration, is not, at any time whatsoever, obligated, committed or required to provide funds by legislative appropriation or any other means to pay debt service on the Bonds or to support the continued operation and maintenance of the Facilities and Stadium Expansion, it being understood that the portion of the lease payments payable by the Board under this Facilities Lease for payment of debt service on the Bonds are payable solely from the Lawfully Available Funds and the Board is not legally committed, obligated or required to make available any other funds to make the lease payments hereunder.

(j) In addition to the Rental payments required hereby, the Board covenants and agrees to make an Extraordinary Rental payment to refund a portion of the Series 2004 Bonds, from funds on hand or collected by the Board, not to exceed \$9,000,000.

Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service.

(a) The University, at the direction of the Board, shall be responsible for ensuring that all services necessary or required in order to adequately operate the Facilities in accordance with the Permitted Use are provided and maintained. The University shall continuously operate or cause to be operated the Facilities from the Commencement Date and continuing for the remainder of the Term for the Permitted Use, and in accordance with all Governmental Regulations. The Corporation may contract with a Management Company, subject to the approval of the Board, to provide operations and management services for the Facilities. All Rents collected by a Management Company under a Management Agreement shall be deposited in an operating account and transferred daily to the Trustee in accordance with the Indenture.

(b) The University, at the direction of the Board, shall be responsible for maintaining the Facilities and shall make or contract or cause to be made or contracted with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Facilities, including without limitation the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, and foundations, fixtures, equipment, and appurtenances to the Facilities as and when needed to

preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are at the fault of the Board, the Corporation or some Other Party. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class presently located in the Facilities.

(c) The University, at the direction of the Board, shall have the right during the Term to cause the Corporation or some other Party to make or construct any additions or improvements to the Facilities, alter the Facilities, attach fixtures, structures, or signs to or on the Facilities, and affix personal property to the Facilities without the Corporation's prior written consent to the extent allowed under the terms of any insurance covering the Facilities. All such alterations, improvements, additions, attachments, repairs, restorations, and replacements of all or any portion of the Facilities shall (i) be at the sole cost and expense of the University; (ii) not reduce the then fair market value of the Facilities; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations.

(d) The University, at the direction of the Board, shall provide or cause to be provided all security service, custodial service, janitorial service, trash disposal, and all other services necessary for the proper upkeep and maintenance of the Facilities as required herein. The Board acknowledges that the Corporation has made no representation or warranty with respect to systems and/or procedures for the security of the Facilities, any persons occupying, using or entering the Facilities, or any equipment, furnishings, or contents of the Facilities. It is the sole responsibility of the Board, through the University to cause to be provided or to provide for the security of persons on or entering the Facilities and/or property located at the Facilities, in accordance with reasonable and prudent business practices.

Section 8. Utilities. All utilities which are used or consumed in or upon or in connection with the Facilities during the Term, including, without limitation water, gas, electricity, sewerage, garbage, or trash removal, light, cable, heat, telephone, power, computer data and other utilities necessary for the operation of the Facilities (the "*Utility Service*") shall be the responsibility of the Board and/or the students, faculty, staff or Permitted Sublessees residing in the Facilities. Payments for Utility Services provided to the entire Facilities or to the common areas of the Facilities under such contract or contracts therefor as the Board may make shall be made by the Board directly to the respective utility companies furnishing such Utility Services.

The Corporation shall have no responsibility to the Board for the quality or availability of Utility Service to the Facilities, or for the cost to procure Utility Service. The Corporation shall not be in Default under this Facilities Lease or be liable to the Board or any other Person for direct or consequential damage, or otherwise, for any failure in supply of any Utility Service, heat, air conditioning, elevator service, cleaning service, lighting, security, or for surges or interruptions of electricity.

Section 9. Insurance.

(a) The University, at the direction of the Board, shall cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Facilities against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance shall be not less than the full replacement cost of the Facilities, without deduction for depreciation. In the event that the Facilities are not repaired or replaced, insurance proceeds shall be no greater than the actual cash value (replacement cost less depreciation) of the Facilities at the

time of the loss. The policy shall be adjusted to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the Corporation in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(v) A policy of rental interruption insurance in the amount of at least one (1) year's rental in the event of loss of or damage to the Series 2004 Facilities.

(b) The Corporation shall:

(i) cause to be secured and maintained a policy of title insurance insuring the Corporation's leasehold interest under the Ground Lease in an amount equal to the par amount of the Bonds; and

(ii) cause all of the construction professionals to secure and maintain:

(A) Comprehensive or Commercial General Liability insurance;

(B) Errors and Omissions insurance;

(C) Automobile Liability insurance;

(D) Worker's Compensation insurance;

(E) an all Risk Builder's Policy upon the construction on the Property; and

(F) boiler and machinery or additional property insurance;

all as required by the terms of any construction contracts entered into with regards to the demolition of certain existing facilities and the renovation, development and construction of the Facilities.

All insurance required in this Section and all renewals of such insurance (excepting self-insurance or commercial insurance, through ORM) shall be issued by commercial insurers authorized to transact

business in the State, and rated at least A- by Best's Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody's. All insurance policies provided or caused to be provided by the Corporation shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to the University and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the Corporation or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University is obligated to maintain according to this Facilities Lease (other than any policy of worker's compensation insurance) will name the Corporation, the Trustee and such other Persons or firms as the University may be required to name from time to time as additional insureds and shall expressly provide that the policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Corporation and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the University or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University shall be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured with respect to destruction of or damage to any portion of the Facilities by fire, earthquake or other casualty or event shall be paid to the Trustee (or, in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of Section 11 of this Facilities Lease and the Indenture.

The Corporation shall certify annually to the Series 2004 Bond Insurer and the Series 2007 Bond Insurer that all insurance policies required by this Section 9 are as of the date of such certification in place and in effect.

Section 10. Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively "*Expropriation*") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

Section 11. Application of Insurance Proceeds; Condemnation Award. (a) If during construction, all or any portion of the Facilities is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Facilities by the Board on behalf of the Corporation, the Board shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in trust (or in the case of self-insurance through ORM, as set forth in paragraph

(b) below), and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee in accordance with the terms of the Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore or replace the Facilities, the proceeds shall be paid to the Board for immediate delivery to Trustee and used to redeem the Outstanding Bonds.

Notwithstanding the foregoing, the Corporation's obligation to replace the Facilities in the event of Expropriation Proceedings is dependent on the Board entering into a lease with a different portion of the Campus as provided in Section 13.03 of the Ground Lease. In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities, the Corporation and the Board agree to amend or enter into a new Facilities Lease and Ground Lease in accordance with Sections 13.03 of the Ground Lease. In the event the Board, pursuant to the Ground Lease, decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Bonds in accordance with the terms of the Indenture, and this Facilities Lease and the Ground Lease shall terminate on the date that the events described in Section 2(a) or 2(b) hereof have occurred.

(b) In the event that ORM insures the Facilities, the Board shall use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 12. Encumbrances.

(a) *Payment by the Board.* The Board shall pay or cause to be paid all costs and charges for alterations, improvements, additions, repairs and maintenance (“*Work*”) (i) done by the Board or caused to be done by the Board in or to the Facilities, and (ii) for all materials furnished for or in connection with such *Work*. The Corporation reserves all rights to collect for any loss or damage sustained or incurred by the Corporation resulting from any and all Encumbrances, demands or liabilities arising on account of the *Work*, which shall be payable by the Board as Additional Rent hereunder.

(b) *Failure to Discharge.* If the Board fails to pay any charge for which an Encumbrance has been filed, and the Facilities or any portion thereof is placed in imminent danger of being seized, the Corporation may, but shall not be obligated to, pay such charge and related costs and interest, and the amount so paid, together with reasonable Legal Expenses incurred in connection with such Encumbrance, will be immediately due from the Board to the Corporation as Additional Rental. Nothing contained in

this Facilities Lease will be deemed the consent or agreement of the Corporation to subject the Corporation's interest in the Facilities to liability under any Encumbrance, or any mechanics', materialman's or other lien law. If the Board receives written notice that an Encumbrance has been or is about to be filed against the Facilities, or that any action affecting title to the Facilities has been commenced on account of Work done by or for the Board or for materials furnished to or for the Board, it shall immediately give the Corporation Notice of such notice.

(c) *Notice of Work.* At least fifteen (15) days prior to the commencement of any Work in or to the Facilities, by or for the University, the University shall give the Corporation Notice of the proposed Work and the names and addresses of the Persons supplying labor and materials for the proposed Work. The Corporation will have the right to post notices of nonresponsibility or similar written notices on the Facilities in order to protect the Facilities against any such claimants.

Section 13. Assignment and Sublease. (a) Neither this Facilities Lease nor any interest of the Board in the Facilities shall be mortgaged, pledged, assigned or transferred by the Board by voluntary act or by operation of law, or otherwise; provided, however, the Board may sublease all or any portion of the Facilities, or grant concessions involving the use of all or any portion of the Facilities, whether such concessions purport to convey a leasehold interest or a license to use all or a portion of the Facilities to any University student, faculty, staff or Permitted Sublessee. No such concession, leasehold interest or license to use the Facilities shall be granted to any University students, faculty or staff for a term of more than one (1) year, or to any Permitted Sublessee for a term of more than one (1) month. The Board shall, however, at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Facilities Lease (including, without limitation, the payment of Base Rental and Additional Rental), notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the Board from its obligations to pay Base Rental and Additional Rental as provided in this Facilities Lease or to relieve the Board from any other obligations contained herein. Other than subleases to University students, faculty, staff and Permitted Sublessees, in no event will the Board sublease or permit the use of all or any part of the Facilities to any person without an opinion of Bond Counsel that such will not cause interest on the Bonds to be included in the gross income of the owners of the Series 2004A Bonds and the Series 2004B Bonds for federal income tax purposes.

(b) The Corporation shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Facilities Lease, including without limitation its right to receive Base Rental payable hereunder, to the Issuer pursuant to the Agreement, and the Issuer will in turn assign its rights under this Facilities Lease to the Trustee pursuant to the Indenture. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith. Anything required or permitted to be done by the Corporation under this Facilities Lease may be done by the Trustee under the Indenture.

(c) Except as set forth in Section 13(b) hereof, the Corporation shall not sell or assign its interest in the Facility or this Facilities Lease without the prior written consent of the Board.

Section 14. Additions and Improvements Removal. At the expiration of the Term, or termination of this Facilities Lease, all alterations, fixtures, improvements and additions made by the Board or the University and all equipment placed upon the Facilities that are incorporated into or made into component parts of the Facilities, as well as, title to all property, furniture, equipment, fixtures, and other property installed at or placed upon the Facilities by the Board which is not incorporated into or made a component part of the Facilities remain the property of the Board.

The Board hereby agrees to replace such property from time to time as such property becomes worn out, obsolete, inadequate, unsuitable or undesirable. The Board may add to or remove such property from time to time, and upon expiration of the Term, provided that the Board repairs any damage to the Facilities caused by such removal.

Section 15. Right of Entry. Representatives of the Corporation and the Bond Insurer shall, subject to reasonable security precautions, and upon giving the Board not less than twenty-four (24) hours advance Notice, have the right to enter upon the Facilities during reasonable business hours (and in emergencies without notice and at all times) accompanied by a Board Representative (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Corporation under this Facilities Lease, or (iii) for all other lawful purposes. Any right of access to any portion of the Facilities leased to the students, faculty, staff or Permitted Sublessees shall be subject to their rights pursuant to their rental agreements and University policy.

Section 16. Mortgage Prohibition. Except as set forth in the Indenture, the Ground Lease and the Agreement, the Corporation shall not be entitled to mortgage or grant a security interest in the Facilities.

Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest. If a person other than the Corporation shall succeed to the rights of the Corporation hereunder (in any case with the prior written consent of the Board as required hereby), upon the declaration of the successor to the Corporation's interest in this Facilities Lease, the Board agrees to fully attorn to and recognize any such successor as the Board's landlord under this Facilities Lease upon the then existing terms of this Facilities Lease, provided that such successor shall agree in writing to accept the Board's attornment and not to disturb the Board's possession so long as the Board shall observe the provisions and all covenants of this Facilities Lease. This attornment provision shall inure to the benefit of any such successor and shall be self-operative upon the election and declaration by such successor, and no further instrument shall be required to give effect to the provisions. However, the Board agrees to evidence and confirm the foregoing attornment provisions by the execution and delivery of instruments in recordable form satisfactory to such successor.

If the Facilities, or any part thereof, shall be sold or otherwise transferred by sale, assignment, transfer or other contract, or by operation of law or otherwise (with the prior written consent of the Board as required hereby and with an opinion of Bond Counsel that such action will not cause interest on the Bonds to be included in the gross income of the owner of the Bonds for federal tax purposes), and if such written consent specifically so provides, the Corporation shall be automatically and entirely released and discharged to the extent of the interest in or the portion of the Facilities sold, assigned or transferred from and after the effective date of such sale, assignment or transfer of all liability for the performance of any of the covenants of this Facilities Lease on the part of the Corporation thereafter to be performed. The purchaser or other transferee of the Facilities shall be deemed to have agreed to perform such covenants of the Corporation from and after the date of such assignment or sale during such transferee's period of ownership of the Corporation's interest under this Facilities Lease, all without further agreement between the Corporation, its successor and the Board. The Corporation's transferee shall not be held responsible for the performance of any of the covenants of this Facilities Lease on the part of the Corporation required to be performed prior to such sale and transfer, the Board reserving its rights against the Corporation for any unperformed covenants prior to such sale or transfer.

Section 18. Quiet Enjoyment. The Corporation covenants that the Board, on paying the Rental and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Board or the University, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Facilities during the Term and may exercise all of its rights hereunder; and the

Corporation agrees to warrant and forever defend the Board's right to such occupancy, use, and enjoyment and the title to the Facilities against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Facilities Lease.

Section 19. Environmental Compliance and Indemnity.

(a) *Environmental Compliance.* The Board or the University shall operate or cause to be operated the Facilities in compliance with all Environmental Requirements continuously during the Term, and for such periods of time prior to the Commencement Date and after the Expiration Date, as long as the Board is in possession of the Facilities, in whole or in part. The Board shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Facilities or the Land, except for such Hazardous Substance as is necessary or useful to the operation of the Facilities.

(b) *The Board's Liability.* If the Board fails to comply with any of the foregoing warranties, representations, and covenants, and removal or Remediation of any Hazardous Substance found on the Facilities is required by Environmental Requirements or Governmental Authority, the Board shall promptly undertake the removal or Remediation of such Hazardous Substance, at the Board's sole cost and expense. In the event the Board fails or refuses to undertake such removal or Remedial actions, the Corporation may cause the removal or Remediation (or other cleanup reasonable acceptable to the Corporation) of any such Hazardous Substance from the Land or the Facilities. The reasonable costs of removal, Remediation, or any other cleanup (including transportation and storage costs) will be considered as Additional Rental under this Facilities Lease, whether or not a court has ordered the cleanup, and those costs will become due and payable within ninety (90) days of written demand by the Corporation. In connection therewith, the Board will give the Corporation, its agents, and employees access to the Facilities to remove, remediate, or otherwise clean up any Hazardous Substance. The Corporation, however, has no affirmative obligation to remove, remediate, or otherwise clean up any Hazardous Substance, and this Facilities Lease will not be construed as creating any such obligation. The Board hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of any Hazardous Substance located in or about the Facilities by the Board.

Section 20. The Corporation's Reservation of Rights.

(a) The Corporation hereby reserves all of its rights to recover from the Board for any and all Claims asserted against the Corporation, including Litigation Expenses arising out of or by reason of:

(i) any injury to or death of any person or damage to property occurring on or about the Facilities occasioned by or growing out of or arising or resulting from any tortious or negligent act on the part of the Board in connection with the operation and management of the Facilities; or

(ii) any failure, breach, or default on the part of the Board in the performance of or compliance with any of the obligations of the Board under the terms of this Facilities Lease.

(b) Notwithstanding the fact that it is the intention of the parties that the Corporation shall not incur any pecuniary liability by reason of the terms of this Facilities Lease or the undertakings required of the Corporation hereunder, nevertheless, if the Corporation should incur any such pecuniary liability, then in that event, the Corporation shall be entitled to assert all rights and remedies granted in law or in equity to recover from the Board the amount of any pecuniary liability incurred by the Corporation, plus all Litigation Expenses incurred in defense of such liability to the extent subject to indemnification pursuant to Subsection (a) above.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Corporation contained in this Facilities Lease or any Claim based thereon against the Corporation or of any successor thereto or member thereof, either directly or through the Corporation whether by virtue of any constitutional provision, statute, or rule of law. This Facilities Lease and the obligations of the Corporation hereunder, and any Claim asserted against the Corporation are solely corporate obligations, and the enforcement of any obligation or Claim shall be limited solely to the Corporation's interest in the Facilities. No personal liability shall attach to, or be incurred by, any officer, director, agent, employee or member of the Corporation and the Board acknowledges that all personal liability of any character against every such officer, director, agent, employee or member by the execution of this Facilities Lease, is expressly waived and released. The immunity of any officer, director, agent, employee or member of the Corporation under the provisions contained in this Section 20 shall survive any acquisition of the Facilities by the Board and the expiration or other termination of this Facilities Lease.

Section 21. Default by the Board. If (i) the Board shall fail to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to Section 6 hereof by the close of business on the day such deposit is required pursuant to Section 6 hereof, and shall fail to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under this Lease (other than the payment of Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants or conditions herein, and shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or such longer period as the Trustee may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board shall be deemed to be in default hereunder, and the Corporation shall have the right, at its option, without any further demand or notice to terminate this Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board, in which case the Board's right to possession of the Facilities will cease and this Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing for the period up to the time the Corporation regains possession (which have been approved for payment under this Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board which survive termination of this Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Facilities and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry shall be allowed by the Board without hindrance, and the Corporation shall not be liable in damages for any such re-entry or be guilty of trespass. The Corporation understands and agrees that upon its termination of the Board's right to possession of the Facilities or termination of this Facilities Lease, the Corporation upon its re-entry of the Facilities shall only be allowed to use the Facilities for the Permitted Use and shall be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Facilities.

Notwithstanding any other provision of this Facilities Lease, (i) in no event shall the Corporation have the right to accelerate the payment of any Base Rental payment hereunder and (ii) the Bond Insurer shall have ninety (90) days to cure an Event of Default hereunder.

Notwithstanding anything contained in this Section 21 to the contrary, a failure by the Board to pay when due any payment required to be made under this Facilities Lease or a failure by the Board to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Facilities Lease, resulting from a failure by the Board to appropriate moneys shall not constitute an Event of Default under this Section 21 and the Corporation shall not have any of the remedial rights set

forth in this Section 21. Notwithstanding the foregoing, in such event the Board acknowledges that the Facilities Lease shall terminate and the Board shall immediately vacate the Facilities, and deliver the Facilities to the Corporation.

Section 22. Cumulative Remedies. Each right and remedy provided for in this Facilities Lease is cumulative and is in addition to every other right or remedy provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of any or all other rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of this Facilities Lease or to enforce any provision of this Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by the Board of any breach by the Corporation of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 23. Option to Purchase. For and in consideration of the obligations of the Board under the Facilities Lease, the mutual undertakings of the parties, the receipt and adequacy of which is hereby acknowledged, the Corporation grants to the Board an exclusive and irrevocable option to purchase for the price and on the terms, provisions, stipulations and conditions hereinafter set forth, all but not less than all of the Corporation's leasehold interest in the Facilities.

(a) *Effective Date.* The effective date of this Option agreement shall be the Commencement Date.

(b) *Term of Option.* The Option shall expire at midnight Central Standard Time, on the Expiration Date, or upon the termination of this Facilities Lease, whichever occurs first.

(c) *Limitation on Exercise of Option.* The Board may not exercise the Option, and the Option shall be voidable, at the sole election of the Corporation, if a Default by the Board has occurred and is continuing under the Facilities Lease, and the applicable time period in which the Board may cure such default has expired. Notwithstanding any provision of this Option to the contrary, the Board shall be entitled to exercise the Option as long as the Board is legally obligated to make payments of Base Rental under the Facilities Lease.

(d) *Exercise of Option.*

(i) The Series 2004 Facilities. The Board may exercise the Option herein granted with respect to the Series 2004 Facilities at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Series 2004 Bonds and the Series 2013 Bonds are defeased pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Series 2004 Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Facilities

(ii) The Series 2007 Facilities. The Board may exercise the Option herein granted with respect to the Series 2007 Facilities at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Series 2007 Bonds are defeased

pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Series 2007 Facilities.

(e) *Purchase Price.* The Purchase Price shall be equal to the principal of all Bonds then Outstanding plus the interest to accrue on such Bonds until the purchase date plus any prepayment penalties, charges or costs for early prepayment or defeasance of the Bonds and any Administrative Expenses owed prior to the purchase date which payments are necessary to discharge the Indenture pursuant to Article XII thereof (collectively, the "Purchase Price").

(f) *Effect on Facilities Lease and Ground Lease.* Upon the purchase of the Corporation's leasehold interest in the Facilities by the Board pursuant to this Option, the Facilities Lease and the Ground Lease shall terminate and all of the Corporation's leasehold interest in the Land and the Facilities shall terminate.

(g) *Payment of Purchase Price.* The Board, on the purchase date, shall deposit an amount equal to the Purchase Price with the Trustee.

(i) Conveyance. In the event of and upon the payment of the Purchase Price and any other sums due under this Facilities Lease by the Board, the Corporation will on the purchase date execute and deliver to the Board a written cancellation of the Ground Lease and this Facilities Lease.

(ii) Assignment of Contract Rights and Obligations. The conveyance of the Corporation's leasehold interest in the Facilities shall also effect a transfer and assignment of all rights, warranties and liabilities of the Corporation under then existing contracts of any nature with respect to the Facilities.

(h) *Closing.* In the event the Option is timely exercised, notice of the Board's election to the Corporation shall constitute an irrevocable conversion of the Option into a binding obligation of the Corporation to sell its leasehold interest in the Facilities and the Board to buy the same under the terms and conditions set forth in this Section 23, and in such event, the Corporation and the Board shall have the right to demand specific performance of this agreement by the other. The closing shall occur at the offices of the Board or its counsel, or at such other time, place, and date as agreed upon by the Corporation and the Board.

(i) *Closing Costs.* The Board shall pay all closing costs and charges incident to the conveyance of the Corporation's interest in the Land and the Facilities.

(j) *No Warranty.* The Corporation shall convey its leasehold interest in the Facilities without any warranty whatsoever of any nature. The conveyance of the leasehold interest in the Facilities shall be without any warranty as to fitness and condition, as set forth in Section 5 of this Facilities Lease. Language substantially similar to the language contained in Section 5 of this Facilities Lease shall be incorporated into and made a part of such conveyance. In no event shall the Corporation be responsible for any defects in title.

(k) *Default under the Option:*

(i) In the event the Option is exercised, and the Corporation fails to consummate the transactions contemplated herein for any reason, except default by the Board or the failure of the Board to satisfy any of the conditions set forth herein, the Board may, in addition to any other rights and remedies which may otherwise be available to the Board, enforce this agreement by specific performance. The

Board's remedies under this Section are expressly subject to the provisions of Section 30 of this Facilities Lease.

(ii) In the event the Option is exercised, and the Board fails to consummate the transactions contemplated herein for any reason, except default by the Corporation or the failure of the Corporation to satisfy any of the conditions set forth herein, the Corporation (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the Board's delay; or (b) may bring suit for damages for breach of this agreement.

(iii) No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Section 23 shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any condition or any subsequent breach of the same or any other term, covenant or condition contained in this Section 23 shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

(l) *Attorney's Fees.* Should either party employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this agreement, or to recover damages for the breach of this agreement, the party prevailing in any final judgment shall have the right to collect from the losing party all Litigation Expenses incurred in enforcing such rights.

(m) *Notices.* Any notices required or permitted under this Section 23 shall be in writing and delivered either in person to the other party, or the other party's authorized agent, or by United States Certified Mail, return receipt requested, postage prepaid, to the address set forth in Section 51 of this Facilities Lease, or to such other address as either party may designate in writing and delivered as herein provided.

(n) *Assignability.* Except as set forth in the Indenture, the Mortgage or the Ground Lease, the Option may not be assigned by the Corporation or its interest in the Facilities sold (subject to the Option or otherwise) to any person or entity without the Board's prior written consent, which consent may be withheld by the Board in its sole discretion.

(o) *Time of Essence:* Time is of the essence of this Option.

(p) *Binding Effect:* This Option shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors and assigns.

Section 24. Severability. If any provisions of this Facilities Lease shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable, to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Facilities Lease shall not affect the remaining portions of this Facilities Lease, or any part thereof.

Section 25. Redemption of Bonds. The Corporation agrees that it will not exercise its option to redeem any Bonds pursuant to the Indenture unless the Board consents to such redemption or such redemption is to be effected with moneys derived from a source other than payments made by the Board under this Facilities Lease, however, in no event shall the mandatory redemption of any Bonds pursuant

to the Indenture require the consent of the Board. The Corporation further agrees that if requested by the Board it will take all actions necessary to redeem all or any portion of the Bonds designated by the Board on the first date that it may do so under the terms of the Indenture so long as the Board agrees to provide funds in an amount, and at the time, required to effect such redemption.

Section 26. Additional Bonds. Upon the request and at the expense of the Board, the Corporation shall take action as may be required to effect the issuance of Additional Bonds in such amount as the Board may request as permitted by and in accordance with the provisions of the Indenture for any purpose permitted thereby.

Section 27. Execution. This Facilities Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which together shall constitute one and the same Facilities Lease.

Section 28. Law Governing. This Facilities Lease is made in the State under the constitution and laws of the State and is to be governed by the laws of the State.

Section 29. Nonappropriation of Funds. In the event no funds or insufficient funds are lawfully appropriated in any Fiscal Year enabling the payment of Base Rental and Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the month following the Base Rental payment date on which the last payment of Base Rental can be made in full from Lawfully Available Funds, this Facilities Lease shall terminate without penalty or expense to the Board of any kind whatsoever, except as to the portions of Base Rental and Additional Rental payments herein agreed upon for Fiscal Years for which sufficient funds have been lawfully appropriated. In the event of such termination, the Board agrees peaceably to surrender possession of the Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Facilities and re-let or sell the Facilities as the Corporation determines and as granted in this Facilities Lease. The Board acknowledges that the Corporation's rights to take possession and to re-let or sell the Facilities under this Section 29 may be assigned to the Trustee for the benefit of the owners of the Bonds, and the Board agrees that the Trustee shall be entitled to exercise all of the rights of the Corporation under this Section 29. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under this Facilities Lease shall not constitute a default hereunder, but shall ipso facto terminate this Facilities Lease. This provision is operative notwithstanding any provisions of this Facilities Lease to the contrary. The Board shall be considered in default hereunder if sufficient funds are lawfully appropriated for the payment of Rental required under this Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation shall be entitled to the rights and remedies set forth in Sections 21 and 22 hereof.

Section 30. Exculpatory Provision. In the exercise of the powers of the Corporation and its trustees, officers, employees and agents under this Facilities Lease and the Indenture, the Corporation shall not be accountable or liable to the Board (i) for any actions taken or omitted by it or its officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Facilities Lease against any officer, employee or agent of the Corporation in his or her personal capacity, all such liability, if any, being expressly waived by the Board by the execution of this Facilities Lease. Nothing in this Facilities Lease or the Indenture is intended to require or obligate, nor shall anything herein or therein be interpreted to require or obligate, the Corporation for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Corporation other than the funds derived from the

issuance of the Bonds under the Indenture and moneys derived pursuant to the Indenture and this Facilities Lease.

The Board specifically agrees to look solely to the Corporation's interest in the Facilities for the recovery of any judgments from the Corporation. It is agreed that the Corporation will not be personally liable for any such judgments, or incur any pecuniary liability as a result of this Facilities Lease to the Board, or the breach of its obligations hereunder. The Corporation's liability under this Facilities Lease is "in rem" as to its interest in the Facilities. The provisions contained in the preceding sentences are not intended to and will not limit any right that the Board might otherwise have to obtain injunctive relief against the Corporation or relief in any suit or action in connection with enforcement or collection of amounts that may become owing or payable under or on account of insurance maintained by the Corporation.

Section 31. Amendments. This Facilities Lease may be amended only as permitted in Article VIII of the Agreement.

Section 32. Recording. The Corporation covenants and agrees that it will promptly record and from time to time re-record a memorandum in recordable form of this Facilities Lease and the Indenture and all supplements thereto and hereto in such manner and in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Bonds.

Section 33. Construction Against Drafting Party. The Corporation and the Board acknowledge that each of them and their counsel have had an opportunity to review this Facilities Lease and that each Party was responsible for the drafting thereof.

Section 34. Time of the Essence. Time is of the essence of each and every provision of this Facilities Lease.

Section 35. No Waiver. The waiver by the Corporation of any agreement, condition, or provision contained in this Facilities Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Facilities Lease, nor will any custom or practice that may grow up between the parties in the administration of the terms of this Facilities Lease be construed to waive or to lessen the right of the Corporation to insist upon the performance by the Board in strict accordance with the terms of this Facilities Lease. The subsequent acceptance of Rental by the Corporation will not be deemed to be a waiver of any preceding breach by the Board of any agreement, condition, or provision of this Facilities Lease, other than the failure of the Board to pay the particular Rental so accepted, regardless of the Corporation's knowledge of such preceding breach at the time of acceptance of such Rental.

Section 36. Survival. To the extent permitted by law and to the extent such will not constitute the incurrence of debt by the Board, all of the Corporation's remedies and rights of recovery under Sections 19 and 20 of this Facilities Lease shall survive the Term and/or the purchase of the Facilities by the Board under the Option.

Section 37. Counterparts. This Facilities Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

Section 38. Estoppel Certificates. At any time and from time to time but within ten (10) days after prior written request by the Corporation, the Board will execute, acknowledge, and deliver to the Corporation, promptly upon request but only to the extent accurate, a certificate certifying (i) that this

Facilities Lease is unmodified and in full force and effect or, if there have been modifications, that this Facilities Lease is in full force and effect, as modified, and stating the date and nature of each modification; (ii) the date, if any, to which Rental and other sums payable under this Facilities Lease have been paid; (iii) that no Notice of any default has been delivered to the Corporation which default has not been cured, except as to defaults specified in said certificate; (iv) that there is no Event of Default under this Facilities Lease or an event which, with Notice or the passage of time, or both, would result in an Event of Default under this Facilities Lease, except for defaults specified in said certificate; and (v) such other matters as may be reasonably requested by the Corporation. Any such certificate may be relied upon by any prospective purchaser or existing or prospective mortgagee of the Facilities or any part thereof. The Board's failure to notify the Corporation of any inaccuracies in the proposed certificate within the specified time period shall be conclusive evidence that the matters set forth in the certificate are accurate and correct.

Section 39. Waiver of Jury Trial. The Corporation and the Board waive trial by jury in any action, proceeding, or counterclaim brought by either of the Parties to this Facilities Lease against the other on any matters whatsoever arising out of or in any way connected with this Facilities Lease, the relationship of the Corporation and the Board, the Board's use or occupancy of the Facilities, or any other Claims, and any emergency statutory or any other statutory remedy.

Section 40. Written Amendment Required. No amendment, alteration, modification of, or addition to the Facilities Lease will be valid or binding unless expressed in writing and signed by the Corporation and the Board and consented to the extent required by Article VIII of the Agreement.

Section 41. Entire Agreement. This Facilities Lease, the exhibits and addenda, if any, contain the entire agreement between the Corporation and the Board. No promises or representations, except as contained in this Facilities Lease, have been made to the Board respecting the condition or the manner of operating the Facilities.

Section 42. Signs. The Board may attach any sign on any part of the Facilities, or in the halls, lobbies, windows, or elevator banks of the Facilities, without the Corporation approval. The Board may name the Facilities and change the name, number, or designation of the Facilities, without the Corporation's prior consent.

Section 43. Litigation Expenses. The Board will pay the Corporation as Additional Rental all reasonable Litigation Expenses and all other reasonable expenses which may be incurred by the Corporation in enforcing any of the obligations of the Board under this Facilities Lease, in exercising its rights to recover against the Board for loss or damage sustained in accordance with the provisions of this Facilities Lease, or in any litigation or negotiation in which the Corporation shall, without its fault, become involved through or because of this Facilities Lease.

Section 44. Brokers. The Corporation and the Board respectively represent and warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Facilities.

Section 45. No Easements for Air or Light. Any diminution or shutting off of light, air, or view by any structure that may be erected on any of the lands constituting the Facilities, or on lands adjacent to the Facilities, will in no way affect this Facilities Lease or impose any liability on the Corporation. This Facilities Lease does not grant any rights to light, view and/or air over the Facilities whatsoever.

Section 46. Binding Effect. The covenants, conditions, and agreements contained in this Facilities Lease will bind and inure to the benefit of the Corporation and the Board and their respective permitted successors and assigns.

Section 47. Rules of Interpretation. The following rules shall apply to the construction of this Facilities Lease unless the context requires otherwise: (a) the singular includes the plural and the plural includes the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to “writing” include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words “including” “includes” and “include” shall be deemed to be followed by words “without limitation”; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivision of sections), exhibits, appendices, annexes or schedules are to those of this Facilities Lease unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments; (h) references to Persons include their respective successors and assigns to the extent successors or assigns are permitted or not prohibited by the terms of this Facilities Lease; (i) any accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles; (j) “or” is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which have expired shall be of no force and effect after such termination, release, or expiration; (m) references to mail shall be deemed to refer to first-class mail, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Hammond, Louisiana time; (o) references to specific persons, positions, or officers shall include those who or which succeed to or perform their respective functions, duties, or responsibilities; and (p) the terms “herein”, “hereunder” “hereby” “hereof,” and any similar terms refer to this Facilities Lease as a whole and not to any particular articles, section or subdivision hereof.

Section 48. Relationship of Parties. The relationship of the Parties shall be one of lessor and lessee only, and shall not be considered a partnership, joint venture, license arrangement or unincorporated association. The Corporation is not controlled by the Board or under the control of any Person also in control of the Board.

Section 49. Law Between the Parties. This Facilities Lease shall constitute the law between the Parties, and if any provision of this Facilities Lease is in conflict with the provisions of “Title IX – Of Lease” of the Louisiana Civil Code, Articles 2669 through 2777, inclusive, the provisions of this Facilities Lease shall control.

Section 50. Conflicts between Existing Facilities Lease and Third Supplemental Facilities Lease. In the event any of the provisions of this Third Supplemental Facilities Lease conflict with any of the provisions of the Existing Facilities Lease, the provisions of this Third Supplemental Facilities Lease shall control.

Section 51. Notices. All notices, filings and other communications (“Notice”) shall be in writing and shall be sufficiently given and served upon the other parties if delivered by hand directly to the persons at the addresses set forth below, or shall be sent by first class mail, postage prepaid, addressed as follows:

The Corporation:

University Facilities, Inc.
SLU Box 10709

Hammond, Louisiana 70402
Attention: Executive Director

With copies at the same time to:

Seale & Ross
200 North Cate Street
Hammond, Louisiana 70404
Attention: T. Jay Seale

The Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

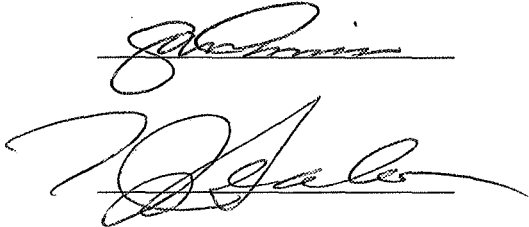
Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust


IN WITNESS WHEREOF, the undersigned representative has signed this Third Supplemental Agreement to Lease with Option to Purchase on behalf of the Board of Supervisors for the University of Louisiana System as of the 13th day of November, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM



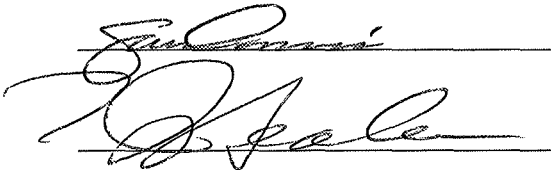
By:


John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative


IN WITNESS WHEREOF, the undersigned representative has signed this Third Supplemental Agreement to Lease with Option to Purchase on behalf of University Facilities, Inc. on the 13th day of November, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.



By:


Name: Joseph Morris
Title: Executive Director

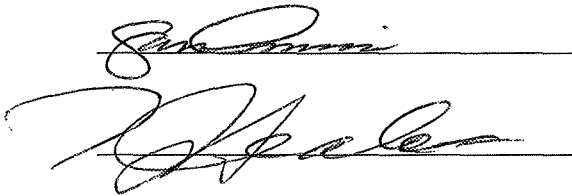
STATE OF LOUISIANA


PARISH OF TANGIPAHOA


BE IT KNOWN, that on this 13th day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOHN L. CRAIN

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University, and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.



By: 
John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative


NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: 31810
Lifetime Commission

**MATTHEW W. KERN
NOTARY PUBLIC
NOTARY ID #57770
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission Is For Life**

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

BE IT KNOWN, that on this 13th day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOSEPH MORRIS

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Executive Director, of University Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

WITNESSES:

By: Joseph L. Morris
Name: Joseph Morris
Title: Executive Director

[Signature]

[Signature]

Matthew W. Kern
NOTARY PUBLIC

Print Name: _____

La. Bar Number of Notary ID: 31810
Lifetime Commission

**MATTHEW W. KERN
NOTARY PUBLIC
NOTARY ID #87770
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission Is For Life**

EXHIBIT A
TO THE FACILITIES LEASE
DESCRIPTION OF THE FACILITIES

Phase One

Phase One of the housing development was comprised of two primary elements:

1. Hazardous material abatement and demolition of the following residence halls:
 - (a) Holloway Smith Hall (occurred in Spring 2004)
 - (b) Hammond Hall (occurred in Spring 2004)
 - I Carter Harris Hall (occurred in Spring 2004)
2. Construction of a new residence hall (“*Residence Hall I*”) which provides approximately seven hundred eighteen (718) student beds in a mix of private and shared occupancy suites (opened January, 2005)

The project included: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and (5) provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (171,045 square feet)

Residence Hall was comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred fifty-eight (358) units of two-bedroom / one-bathroom and one-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of seven hundred eighteen (718) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-nine (179) of the units are designed for shared occupancy (360 total beds). Additionally, the Residence Hall I phase included a common area laundry facility in two of the buildings and area coordinator units in two of the buildings. In each building, community meeting rooms and tenant mail facilities were provided.

The first phase of development also included a 1,763 square foot maintenance facility for use by the property manager. Residence Hall I was completed in January, 2005.

Phase Two

Phase Two of the housing development was comprised of:

1. Construction of a new residence hall (“*Residence Hall II*”) which provides seven hundred ninety-one (791) student beds in a mix of private and shared occupancy suites.
2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (184,530 square feet)

Residence Hall II is comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred ninety-five (395) units of housing configured in two-bedroom / one-bathroom and one-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of seven hundred ninety-one (791) beds. Ninety-five (95) of the units (187 total beds) are designed for private occupancy and three hundred (300) of the units (604 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase includes one laundry facility and one area coordinator unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities are provided. The second phase of development included relocation of the campus police facility into one of the buildings, along with office / meeting space for the property management. Residence Hall II was completed in August, 2005.

Phase Three

Phase Three of the housing development has not been initiated and would be subject to further revision based upon input from the University. The following was the preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to be determined)
2. Construction of a new residence hall ("*Residence Hall III*") to provide approximately two hundred (200) student beds in private occupancy suites.

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is not currently in progress.

Residence Hall III unit mix and design is subject to further revision based upon University input.

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility consists of approximately 436 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It contains four parking levels containing 171,378 square feet with elevators and stairs.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements included the expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom spaces. It consists of two levels containing approximately 9,323 square feet (plus 3,881 square feet at the two patios and 1,207 square foot at club seating area).

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

EXHIBIT B

MEMORANDUM OF SUPPLEMENTAL LEASE

STATE OF LOUISIANA §
PARISH OF TANGIPAHOA § KNOW ALL MEN BY THESE PRESENTS:
§

MEMORANDUM OF LEASE

This Memorandum of Lease (this “*Memorandum*”) is entered into by and between the Board of Supervisors for the University of Louisiana System (“*Lessor*”) and University Facilities, Inc. (“*Lessee*”).

RECITALS

A. Lessor and Lessee have entered into a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the “*Third Supplemental Facilities Lease*”), supplementing and amending that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation (the “*Existing Facilities Lease*” and, together with the Third Supplemental Facilities Lease, the “*Lease*”), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibit A attached hereto and incorporated herein (the “*Land*”) and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties’ rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on November 13, 2013 and shall continue until midnight on August 1, 2047, unless sooner terminated or extended as provided in the Lease.

2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.

3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System
1201 North 3rd Street, Suite 7300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

THUS DONE AND PASSED on the ____ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with John L. Crain, President of Southeastern Louisiana University and Authorized Board Representative, and me, Notary.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: _____
John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

NOTARY PUBLIC

Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

THUS DONE AND PASSED on the ____ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Joseph Morris, Executive Director of University Facilities, Inc., and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
Joseph Morris, Executive Director

NOTARY PUBLIC

Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

Tangipahoa Parish Recording Page

5b

Julian E. Dufreche
Clerk of Court
P. O. Box 667
110 North Bay Street, Suite 100
Amite, LA 70422
(985) 748-4146

Received From :
REGIONS BANK

First VENDOR

UNIVERSITY OF LOUISIANA SYSTEM

First VENDEE

UNIVERSITY FACILITIES INC

Index Type : Conveyances

Instrument # : 909416

Type of Document : Lease - Conveyance Book

Book : 1329 **Page :** 451

Recording Pages : 7

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Tangipahoa Parish, Louisiana

/s/SHAWNIE HUTCHINSON

Deputy Clerk

On (Recorded Date) : 11/20/2013

At (Recorded Time) : 3:49:43:000 PM



Doc ID - 010722220007

CLERK OF COURT
JULIAN E. DUFRECHE
Parish of Tangipahoa

I certify that this is a true copy of the attached document that was filed for registry and
Recorded 11/20/2013 at 3:49:43
Recorded in Book 1329 Page 451
File Number 909416

Deputy Clerk



Return To :

STATE OF LOUISIANA
PARISH OF TANGIPAHOA

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

MEMORANDUM OF LEASE

This Memorandum of Lease (this "*Memorandum*") is entered into by and between the Board of Supervisors for the University of Louisiana System ("*Lessor*") and University Facilities, Inc. ("*Lessee*").

RECITALS

A. Lessor and Lessee have entered into a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "*Third Supplemental Facilities Lease*"), supplementing and amending that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Existing Facilities Lease*" and, together with the Third Supplemental Facilities Lease, the "*Lease*"), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibit A attached hereto and incorporated herein (the "*Land*") and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on November 13, 2013 and shall continue until midnight on August 1, 2047, unless sooner terminated or extended as provided in the Lease.

2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.

3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System
1201 North 3rd Street, Suite 7300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

THUS DONE AND PASSED on the 13th day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with John L. Crain, President of Southeastern Louisiana University and Authorized Board Representative, and me, Notary.

WITNESSES:

Sam Domiano
Sam Domiano
Jay Seale
Jay Seale

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

By: John L. Crain
John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

Matthew W. Kern
NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: 31810
Lifetime Commission

MATTHEW W. KERN
NOTARY PUBLIC
NOTARY ID #87770
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission Is For Life

THUS DONE AND PASSED on the 13th day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Joseph Morris, Executive Director of University Facilities, Inc., and me, Notary.

WITNESSES:

Sam Domiano
Sam Domiano
Jay Seale
Jay Seale

UNIVERSITY FACILITIES, INC.

By: Joseph Morris
Joseph Morris, Executive Director

Matthew W. Kern
NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: 31810
Lifetime Commission

MATTHEW W. KERN
NOTARY PUBLIC
NOTARY ID #87770
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission Is For Life

EXHIBIT A

LAND DESCRIPTION

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-

7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46’03” West 240.96 feet to the Point of Beginning;

thence North 00°14’06” West 278.02 feet; thence North 89°50’08” East 252.70 feet; thence South 00°08’03” East 181.58 feet; thence South 89°48’33” West 39.94 feet; thence South 00°21’03” West 96.15 feet; thence South 89°49’36” West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled “Plat of Survey Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.06 Acre Tract - Intermodal Facility):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 feet to a point; thence leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 30.32 feet to the Point of Beginning;

From the Point of Beginning run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 17.83 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 251.49 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 17.83 feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 265.35 feet back to the Point of Beginning.

Tract 5 (0.40 Acre Tract – Stadium Expansion):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 Feet to the Point of Beginning;

From the Point of Beginning and leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 326.00 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 52.92 Feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 326.00 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 31.13 feet back to the Point of Beginning.

SECOND AMENDMENT TO
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.

and

BOARD OF SUPERVISORS FOR
THE UNIVERSITY OF LOUISIANA SYSTEM,

dated as of June 12, 2012

relative to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

SECOND AMENDMENT TO AGREEMENT TO
LEASE WITH OPTION TO PURCHASE

This SECOND AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE (this "*Second Amendment*") is made and entered into effective as of June 11, 2012, by and between UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by its Executive Director, Joseph Morris (the "*Corporation*") and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by John L. Crain, President of the University and duly authorized Board representative.

WITNESSETH:

WHEREAS, the Board entered into a Ground and Buildings Lease Agreement with the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), which was amended by a First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation, dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Ground Lease*");

WHEREAS, pursuant to the Ground Lease and pursuant to La. R.S. 17:3361 through 17:3366, as amended, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation (the "*Original Facilities Lease*"), as amended by that certain First Amendment to Agreement to Lease with Option to Purchase, between the Corporation and the Board, dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Facilities Lease*");

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Indenture*") and a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*"), between the Issuer and the Corporation, the Issuer issued and loaned to the Corporation the proceeds from the sale of the Issuer's \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)

Series 2004C (the “*Series 2004C Bonds*” and, together with the Series 2004A Bonds, the Series 2004B Bonds and any Additional Bonds, the “*Bonds*”);

WHEREAS, the proceeds of the Bonds were used to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Facilities*”), (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to a Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds;

WHEREAS, the full renovation of a building on the campus of the University known as Cardinal Newman Hall (the “*Cardinal Newman Project*”) was included in the description of the Facilities to be constructed or renovated with the proceeds of the Bond which was attached as Exhibit A to the Facilities Lease;

WHEREAS, the Cardinal Newman Project was removed from the Facilities Lease by the First Amendment to Facilities Lease in 2007, because it was not feasible to complete the Cardinal Newman Project at that time;

WHEREAS, it is now feasible to complete the Cardinal Newman Project and the Board desires to add the Cardinal Newman Project back to the Facilities Lease so that it may be financed with proceeds of the Bonds remaining in the Project Fund;

WHEREAS, Section 31 of the Facilities Lease grants the Board the right to amend the Facilities Lease;

WHEREAS, the Board desires to amend the Facilities Lease in order to amend and replace in its entirety the description of the Facilities, attached as Exhibit A to the Facilities Lease; and

WHEREAS, Section 8.03 of the Loan Agreement requires the written consent of MBIA Insurance Corporation, bond insurer for the Bonds (the “*Bond Insurer*”), to amend the Facilities Lease in order to amend and replace Exhibit A to the Facilities Lease in its entirety, and the Bond Insurer has consented as referenced in the Consent of Bond Insurer dated June 6, 2012, a copy of which is attached hereto.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE 1
AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE

Section 1.1 Exhibit A of the Facilities Lease. Exhibit A to the Facilities Lease is hereby deleted, and the “Revised Exhibit A” attached to this Second Amendment is hereby substituted therefor.

ARTICLE 2
MISCELLANEOUS

Section 2.1 Capitalized Terms. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Facilities Lease.

Section 2.2 Effect on the Agreement. This Second Amendment shall amend and supersede the Facilities Lease to the extent of the terms hereof. The Facilities Lease, except as amended and superseded hereby, is and shall remain in full force and effect. In the event of a conflict of the terms of this Second Amendment and the Facilities Lease, the terms of this Second Amendment shall control.

Section 2.3 Applicable Law. This Second Amendment shall be construed in accordance with and governed for all purposes by the laws of the State of Louisiana without giving effect to the principal of conflict of laws thereof.

Section 2.4 Counterparts. This Second Amendment may be executed in multiple counterparts, each of which, when considered with the others, shall constitute a complete Second Amendment.

Section 2.5 Recordation of Amendment. This Second Amendment shall be recorded in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Bonds.

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of University Facilities, Inc., in Hammond, Louisiana on the 13th day of June, 2012.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Rebekah Nuccio
Print Name: Rebekah Nuccio

J. Bell
Print Name: Juanita C. Ballard

By: Joseph J. Morris
Name: Joseph Morris
Title: Executive Director

G. Prigent
NOTARY PUBLIC
PRINTED NAME: Gene Prigent
NOTARY ID NUMBER: 010443
MY COMMISSION EXPIRES: At Death


PARISH OF TANGIPAHOA

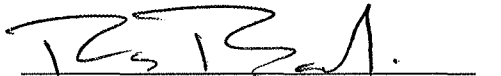
STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of the Board of Supervisors for the University of Louisiana System in Hammond, Louisiana on the 13th day of June, 2012.


WITNESSES:


BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM


Print Name: Chrissie Mc Ghee


Print Name: ROSS S. BARBIER

By:


John L. Crain
President of the University and
Authorized Board Representative


NOTARY PUBLIC
PRINTED NAME: Gene Prejeant
NOTARY ID NUMBER: 010443
MY COMMISSION EXPIRES: At Death

REVISED EXHIBIT A

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:

- (a) Holloway Smith Hall (to occur March, 2004)
- (b) Hammond Hall (to occur March, 2004)
- (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide

approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:

- (a) Taylor Hall (to occur June / July 2006)

2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

CONSENT OF BOND INSURER

in connection with

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

and

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

The undersigned duly authorized officer of National Public Finance Guarantee, as reinsurer and agent for MBIA Insurance Corporation (“*MBIA*”) hereby certifies as follows:

1. MBIA issued its Financial Guaranty Insurance Policy Number 44754 with respect to the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A (the “*Series 2004A Bonds*”), its Financial Guaranty Insurance Policy Number 44755 with respect to the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the “*Series 2004B Bonds*”) and its Financial Guaranty Insurance Policy Number 44756 with respect to the \$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004C (the “*Series 2004C Bonds*” and, together with the Series 2004A Bonds and the Series 2004B Bonds, the “*Series 2004 Bonds*”), said Series 2004 Bonds being issued on August 13, 2004.

2. MBIA has been provided with copies of the following:

(i) the Trust Indenture dated as of August 1, 2004 by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A. (the "*Indenture*") pursuant to which the Series 2004 Bonds were issued;

(ii) the Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*") by and between the Issuer and the University Facilities, Inc. (the "*Corporation*");

(iii) the Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as amended by that certain First Amendment to Ground and Buildings Lease Agreement effective as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Existing Ground Lease*"), together with the form of a Second Amendment to Ground and Buildings Lease Agreement (the "*Second Amendment to Ground Lease*") each by and between the Board of Supervisors for the Louisiana Community and Technical College System (the "*Board*") and the Corporation; and

(iv) the Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as amended by the First Amendment to Lease with Option to Purchase Agreement effective as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Existing Facilities Lease*"), together with the form of a Second Amendment to Agreement to Lease with Option to Purchase (the "*Second Amendment to Facilities Lease*"), each by and between the Board and the Corporation.

3. In connection with the amendment of the description of the Facilities (as defined in the Existing Facilities Lease) to add the renovation of Cardinal Newman Hall, MBIA has been asked to consent to the amendments to Existing Ground Lease and Existing Facilities Lease embodied in the Second Amendment to Ground Lease and Second Amendment to Facilities Lease pursuant to Section 8.03 of the Loan Agreement.

4. MBIA hereby consents to the execution and delivery by the Corporation of the Second Amendment to Ground Lease and the Second Amendment to Facilities Lease for purposes of Section 8.03 of the Loan Agreement in connection with the addition of the renovation of Cardinal Newman Hall to the description of the Facilities in the Existing Ground Lease and the Existing Facilities Lease.

Dated: June 6, 2012

National Public Finance Guarantee,
as reinsurer and agent for MBIA

By: Rubana Fikurajen
Authorized Officer

sd

EXECUTION COPY

**FIRST AMENDMENT TO AGREEMENT TO LEASE
WITH OPTION TO PURCHASE**

BY AND BETWEEN

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

AND

UNIVERSITY FACILITIES, INC.

RELATIVE TO

**\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A;**

**\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B;**

**\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C**

AND

**\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A**

**\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.:
PHASE FOUR PARKING PROJECT) SERIES
2007B**

**FIRST AMENDMENT TO AGREEMENT TO LEASE
WITH OPTION TO PURCHASE**

The Agreement to Lease with Option to Purchase by and between the **UNIVERSITY FACILITIES, INC.**, a non-profit corporation incorporated and existing under the laws of the State of Louisiana (the "Corporation") and the **BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM** (the "Board"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of the University of Louisiana System (the "University") (the "Facilities Lease"), is hereby amended by this **FIRST AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE** (this "First Amendment") which is effective as of the 1st day of March, 2007.

SECTION 1. EXHIBIT A to the Facilities Lease is hereby amended to read as follows:

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:

- (a) Holloway Smith Hall (to occur March, 2004)
- (b) Hammond Hall (to occur March, 2004)
- (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I

phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)

2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

SECTION 2. EXHIBIT A-1 to the Facilities Lease shall read as follows:

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility will consist of approximately 450 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It will contain four parking levels containing 154,000 square feet.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements will include expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom spaces. It will consist of two levels containing approximately 24,000 square feet.

SECTION 3. Part II of the Facilities Lease relative to the Phase Four Facilities and Stadium Expansion provisions shall be added to read as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of and as used in this Phase Four Facilities Lease, have the meanings as set forth below. All other capitalized terms used herein without definition shall have the meanings as set forth in the Phase Four Indenture (as hereinafter defined). Other terms shall have the meanings assigned to them in other Sections of this Phase Four Facilities Lease.

"Additional Bonds" means bonds, if any, issued in one or more series on a parity with the Series 2007 Bonds pursuant to Article V of the Phase Four Indenture.

"Additional Phase Four Debt" means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Phase Four Lawfully Available Funds.

"Additional Phase Four Facilities" means any additional intermodal parking facilities owned or leased by the Board or the Corporation that have been incorporated with the Phase Four Facilities into a single intermodal parking system pursuant to Section 3(i) hereof.

"Administrative Expenses" means the necessary, reasonable and direct out-of-pocket expenses incurred by the Issuer or the Trustee pursuant to the Phase Four Indenture and the Phase Four Agreement, the compensation of the Trustee under the Phase Four Indenture (including, but not limited to any annual administrative fee charged by the Trustee), the compensation of the Issuer, any amounts due to the Bond Insurer under the Reimbursement Agreement and the necessary, reasonable and direct out-of-pocket expenses of the Trustee incurred by the Trustee in the performance of its duties under the Phase Four Indenture.

"Annual Debt Service" means the amount required to pay all principal of and interest on a series of Phase Four Bonds and any Additional Phase Four Debt (as defined in the Phase Four Facilities Lease), as applicable, in any Fiscal Year.

"Authorized Corporation Representative" means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"Auxiliary Revenues" means the amount of all funds or revenues held by the University derived by Auxiliary Enterprises and any earnings thereof from the self generated fees, rates, charges or income received by students, faculty or the public in connection with the utilization or operation of Auxiliary Enterprises after payment of any Auxiliary Enterprises expenses. The Auxiliary Enterprises of the University include the following, subject to modification from time to time: 1) student service fees for the operation of the University's Textbook Rental, ID Card Services, Student Health Center and Student Union 2) certain commissions received from Food Service contractors, Retail Bookstore operations and Vending operations and 3) the sales of copying services. Auxiliary Revenues shall not include student fees specifically assessed by the University to service any outstanding obligations or any capital funds received by outside contractors required to make building improvements for their delivery of services.

"Board" means Board of Supervisors for the University of Louisiana System, formerly known as the Board of Trustees for State Colleges and Universities, or its legal successor as the management board of the University, acting on behalf of the University.

"Board Representative" means the Person or Persons designated by the Board in writing to serve as the Board's representative(s) in exercising the Board's rights and performing the Board's obligations under this Phase Four Facilities Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Operations and Facilities, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

"Bond Documents" shall have the meaning set forth in Section 3.12 of the Phase Four Indenture.

"Budget" means the University's budget as approved by the Board for any Fiscal Year during the Term.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Jacksonville, Florida, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§9601 et seq.).

"Claim" collectively means any claim, liability, demand, loss, damage, deficiency, litigation, cause of action, penalty, fine, judgment, defense, imposition, fee, lien, bonding cost, settlement, disbursement, penalty, cost or expenses of any and every kind and nature (including without limitation Litigation Expenses), whether known or unknown, incurred or potential, accrued, absolute, direct, indirect, contingent or otherwise and whether imposed by strict liability, negligence, or otherwise, and consequential, punitive and exemplary damage claims.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"Commencement Date" means the effective date of this Phase Four Facilities Lease, which is March 1, 2007.

"Corporation" means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payments or provision for payment of all of the Phase Four Bonds.

"Date of Opening" shall have the meaning set forth in the Phase Four Ground Lease.

"Debt Service Fund" means the fund of that name created under of the Phase Four Indenture.

"Debt Service Reserve Fund" means the fund of that name created under the Phase Four Indenture.

"Debt Service Reserve Fund Requirement" means, with respect to the Phase Four Bonds, at the time of determination, means the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

"Default or Delay Rental" means and shall consist of (i) all amounts, fees or expenses which the Corporation may be legally obligated to pay to Other Parties by reason of any default of the Board hereunder or any delay in payment of any sums due by the Board hereunder; and (ii) all costs, expenses and charges, including reasonable Legal Expenses, incurred by the Corporation whether by suit or otherwise, in collecting sums payable hereunder or in enforcing any covenant or agreement of the Board contained in this Phase Four Facilities Lease or incurred in obtaining possession of the Phase Four Facilities or the Stadium Expansion after default by the Board.

"Encumbrance" means any lien, mortgage, encumbrance, privilege, charge, option, right of first refusal, conditional sales contract, security interest, mechanic's and materialmen's liens, or any lien or encumbrance securing payment of any Claims, including environmental Claims, or of any charges for labor, materials, supplies, equipment, taxes, or utilities, excluding the Option granted to the Board herein.

"Environmental Requirements" means all State, federal, local, municipal, parish, and regional laws, statutes, rules, regulations, ordinances, codes, permits, approvals, plans, authorizations, concessions, investigation results, guidance documents; all legislative, judicial, and administrative judgments, decrees, orders, rules, rulings, and regulations; and all agreements and other restrictions and requirements in effect on or prior to the Commencement Date, of any Governmental Authority, including, without limitation, federal, state, and local authorities, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, or pollutants, and including without limitation the following environmental laws: The Clean Air Act (42 U.S.C.A. §1857); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901); CERCLA, as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601); the Clean Water Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §30); the Occupational Safety and Health Act (29 U.S.C. §651); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §135); the Louisiana Environmental Quality Act (La. R.S. 30:2001); and the Louisiana Air Quality Regulations (La. C. 33:III.2595) including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

"Event of Default" means any default specified in and defined as such by Section 21 hereof.

"Expiration Date" means August 1, 2047.

"Facilities Lease" means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as amended by the First Amendment to the Agreement to Lease with Option to Purchase, dated March 1, 2007, by and between the Board, as Lessee, and the Corporation, as Lessor, whereby certain facilities are leased by the Corporation to the Board, on behalf of the University, as further amended.

"Fiscal Year" means the fiscal year of the State, which at the date of this Phase Four Facilities Lease is the period from July 1 to and including the following June 30.

"Governmental Authority" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"Governmental Regulations" means any and all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation reports, guidelines, and requirements or accreditation standards of any Governmental Authority having jurisdiction over the Corporation and/or the Board, or affecting the Phase Four Facilities.

"Ground Lease" means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as amended by the First Amendment to the Ground and Buildings Lease Agreement, dated as of March 1, 2007, by and between the Corporation, as Lessee, and the Board, as Lessor, whereby the Land upon which certain facilities shall be constructed and/or renovated and such facilities, as completed are leased by the Board to the Corporation, as further amended.

"Hazardous Substance" means (a) any "hazardous substance" as defined in §101(14) of CERCLA or any regulations promulgated thereunder; (b) petroleum and petroleum by-products; (c) asbestos or asbestos containing material ("ACM"); (d) polychlorinated biphenyls; (e) urea formaldehyde foam insulation; or (f) any additional substances or materials which at any time are classified, defined or considered to be explosive, corrosive, flammable, infectious, radioactive, mutagenic, carcinogenic, pollutants, hazardous or toxic under any of the Environmental Requirements.

"Interest Payment Date" or **"interest payment date,"** when used with respect to the Series 2007 Bonds means each February 1 and August 1, commencing August 1, 2007.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act (as defined in the Phase Four Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"Legal Expenses" means the reasonable fees and charges of attorneys and of legal assistants, paralegals, law clerks and other persons and entities used by attorneys and under

attorney supervision and all costs incurred or advanced by any of them irrespective of whether incurred in or advanced prior to the initiation of any legal, equitable, arbitration, administrative, bankruptcy, trial or similar proceedings and any appeal from any of same.

"Litigation Expenses" means all out-of-pocket costs and expenses incurred as a result of an Event of Default, or in connection with an indemnification obligation, including Legal Expenses, the reasonable fees and charges of experts and/or consultants, and all court costs and expenses.

"Maximum Annual Debt Service" with respect to a series of Phase Four Bonds issued under the Phase Four Indenture, means the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or subject to mandatory sinking fund redemption.

"Notice" shall have the meaning set forth in Section 50 hereof.

"Option to Purchase" or **"Option"** means the option to purchase the Corporation's interest in any portion of the Phase Four Facilities or Stadium Expansion granted in Section 23 of this Phase Four Facilities Lease.

"Other Parties" means a Person other than the Parties.

"Parties" means, collectively, the Corporation and the Board.

"Permitted Sublessees" means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Phase Four Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

"Permitted Use" means the operation of the Phase Four Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

"Person" means all juridical persons, whether corporate or natural, including individuals, firms, trusts, corporations, associations, joint ventures, partnerships, and limited liability companies or partnerships.

"Phase Four Additional Rental" means the amounts specified as such in Section 6(c) of this Phase Four Facilities Lease.

"Phase Four Agreement" means the Loan Agreement dated as of March 1, 2007 between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

"Phase Four Base Rental" means the amounts referred to as such in Section 6(b) of this Phase Four Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms hereof) but does not include Phase Four Additional Rental.

"Phase Four Bonds" means, collectively, the Series 2007 Bonds and any Additional Phase Four Bonds issued pursuant to the Phase Four Indenture as authorized hereby.

"Phase Four Debt Service Coverage Ratio" means, for any Fiscal Year, the ratio determined by the Vice President for Administration and Finance of the University by dividing the amount of Auxiliary Revenues and the Student Fee for such Fiscal Year by Annual Debt Service on the Phase Four Bonds outstanding and on any Additional Phase Four Debt issued and proposed to be issued for such Fiscal Year.

"Phase Four Facilities" means parking and related facilities described in Exhibit A-1 hereto, as amended and supplemented in accordance with the provisions of the Phase Four Agreement.

"Phase Four Facilities Land" means the real property more particularly described on Exhibit A-1 to the Phase Four Ground Lease upon which the Phase Four Facilities are to be renovated, constructed and located.

"Phase Four Facilities Lease" means this Part II of the Facilities Lease, including the Exhibits attached hereto, and any amendment or supplement hereto entered into from time to time in accordance with the terms hereof.

"Phase Four Ground Lease" means Part II of the Ground Lease, including the Exhibits attached thereto, and any amendment or supplement thereto entered into from time to time in accordance with the terms thereof.

"Phase Four Indenture" means the Trust Indenture dated as of March 1, 2007, between the Issuer and the Trustee, as it may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

"Phase Four Lawfully Available Funds" means the Auxiliary Revenues and the Student Fee Revenues, as designated by the Board in its budget process to make Rental payments.

"Phase Four Principal Payment Date" means each February 1, commencing February 1, 2008.

"Phase Four Project Fund" means the fund of that name created under the Phase Four Indenture.

"Phase Four Receipts Fund" means the fund of that name created under the Phase Four Indenture.

"Phase Four Replacement Fund" means the fund of that name created under the Phase Four Indenture.

"Remediation" means any and all costs incurred due to any investigation of the Phase Four Facilities or any remediation, response, cleanup, removal, or restoration required by any Governmental Regulation or Governmental Authority or by Environmental Requirements.

"Rental" means and includes the Phase Four Base Rental and Phase Four Additional Rental.

"Series 2007 Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007, in one or more series, authorized to be issued by the Issuer in the aggregate principal amount of \$8,035,000, including such Series 2007 Bonds issued in exchange for other such Series 2007 Bonds pursuant to the Phase Four Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2007 Bonds pursuant to the Phase Four Indenture.

"Stadium Expansion" means the Football Stadium Improvements described in **Exhibit A-1** hereto, as amended and supplemented in accordance with the provisions of the Phase Four Agreement.

"Stadium Expansion Land" means the real property more particularly described on Exhibit A-1 to the Phase Four Ground Lease upon which the Stadium Expansion is to be renovated, constructed and located.

"State" means the State of Louisiana.

"Student Fee" means the student parking garage fee assessed on all University students for the planning, building and maintaining of a University parking garage, as designated by the Board in its budget process to make Phase Four Rental payments. The referendum for the fee of \$20.00 per semester and \$10.00 each summer was voted on and passed by students at the University on October 24-26, 2005.

"Student Fee Revenues" means the amount of all funds or revenues held by the University derived by the Student Fee.

"Term" means the term of this Phase Four Facilities Lease, as provided in Section 2 hereof.

"Trustee" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under the Phase Four Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Phase Four Bonds issued and secured under the terms of the Phase Four Indenture, initially The Bank of New York Trust Company, N.A.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

Section 2. Agreement to Lease; Term of Lease. The Corporation hereby leases the Phase Four Facilities and the Stadium Expansion to the Board, and the Board hereby leases the Phase Four Facilities and Stadium Expansion from the Corporation effective as of the Commencement Date of this Phase Four Facilities Lease and agrees upon completion of construction of the Phase Four Facilities and Stadium Expansion to accept possession of the Phase Four Facilities and Stadium Expansion and agrees to pay the Phase Four Base Rental and the Phase Four Additional Rental as provided herein for the use and occupancy of the Phase Four

Facilities and Stadium Expansion, all on the terms and conditions set forth herein. The Board agrees that it will take immediate possession of the Phase Four Facilities and Stadium Expansion under the terms and provisions of this Phase Four Facilities Lease upon the Date of Opening (as defined in the Phase Four Ground Lease) of the Phase Four Facilities and Stadium Expansion. The Board understands and agrees that Rental shall accrue from the Commencement Date hereof notwithstanding the fact that the Phase Four Facilities and Stadium Expansion have yet to be constructed. No delay in the Date of Opening of the Phase Four Facilities or the Stadium Expansion beyond the time set forth in the Phase Four Ground Lease will extend the Term. The Term of this Phase Four Facilities Lease begins on the Commencement Date and ends on the Expiration Date; provided, however, this Phase Four Facilities Lease shall terminate prior to the Expiration Date upon the happening of any of the following events:

(a) repayment of the Phase Four Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Phase Four Bonds or the defeasance of the Phase Four Bonds, all as set forth in the Phase Four Indenture;

(b) the exercise by the Board of the Option to Purchase with respect to all portions of the Phase Four Facilities and Stadium Expansion, and the purchase of the Corporation's interest in all of the Phase Four Facilities and Stadium Expansion pursuant to the Option; or

(c) any other event described in this Phase Four Facilities Lease which is specifically stated to cause a termination of this Phase Four Facilities Lease, including without limitation a Default by the Board, and the failure of the Board to appropriate or cause to be appropriated an amount necessary to pay the Phase Four Base Rental, all as set forth in Sections 21 and 29 hereof.

Upon the termination of the Phase Four Facilities Lease under the circumstances set forth in Section 2(a) above, at the Board's option, the Board may require the demolition of the Phase Four Facilities or Stadium Expansion as set forth in Section 12.02 of the Phase Four Ground Lease.

Section 3. Acknowledgments, Representations and Covenants of the Board. The Board represents, covenants and agrees as follows:

(a) The Board has full power and authority to enter into this Phase Four Facilities Lease, the Phase Four Ground Lease, and the transactions contemplated thereby and agrees to perform all of its obligations hereunder and under the Phase Four Ground Lease;

(b) The Board has been duly authorized to execute and deliver this Phase Four Facilities Lease and the Phase Four Ground Lease and further represents and covenants that this Phase Four Facilities Lease and the Phase Four Ground Lease constitute the valid and binding obligations of the Board and that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Phase Four Facilities Lease and the Phase Four Ground Lease and the Board has complied with all constitutional and other statutory requirements as may be applicable to the Board in the authorization, execution, delivery and performance of this Phase Four Facilities Lease and the Phase Four Ground Lease;

(c) The execution and delivery of this Phase Four Facilities Lease and the Phase Four Ground Lease, and compliance with the provisions hereof, will not conflict with or constitute on the part of the Board a violation of, breach of, or default under any constitutional provision, statute, law, resolution, bond indenture or other financing agreement or any other agreement or instrument to which the Board is a party or by which the Board is bound, or any order, rule or regulation of any court or Governmental Authority or body having jurisdiction over the Board or any of its activities or properties with respect to the Phase Four Facilities and the Stadium Expansion; and all consents, approvals or authorizations required of the Board for the consummation of the transactions contemplated hereby have been obtained or timely will be obtained;

(d) Other than that which was previously disclosed, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Board, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Phase Four Facilities Lease and the Phase Four Ground Lease;

(e) The Board will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Series 2007 Bonds to be included in gross income for federal income tax purposes;

(f) The Board agrees to cause the Phase Four Facilities and Stadium Expansion to be used for the Permitted Use and shall not allow the Phase Four Facilities or Stadium Expansion to be used for any other use. No more than five percent (5%) of the gross area of the Phase Four Facilities will be subleased by the Board or by any sublessees or assigns of the Board to, or otherwise used by, private business and the Board agrees to take all action, to the extent it is legally authorized and able to do so, necessary to prevent the Phase Four Bonds from being deemed "private activity bonds" within the meaning of Section 141 of the Code; and

(g) The use of the Phase Four Facilities is essential to the operation of the University by providing modern intermodal parking facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Phase Four Lawfully Available Funds for use of the Phase Four Facilities. There are no alternative facilities available for use as contemplated for the Phase Four Facilities since there is currently a shortage of available, modern on-campus parking at the University.

(h) The Board will covenant that, as long as any bonds, notes, or lease obligations remain outstanding that are payable from Phase Four Lawfully Available Funds, if the Phase Four Debt Service Coverage Ratio shall fall below 1.25:1.0, the Board will use its best efforts to continue to levy and collect the fees and charges relating to the Phase Four Facilities so that within two (2) full semesters after the Phase Four Debt Service Coverage Ratio shall become deficient, the Phase Four Debt Service Coverage Ratio equals 1.25:1.0. At the end of two (2) full semesters, if the Phase Four Debt Service Coverage Ratio shall remain below 1.25:1.0, the Board will be required to hire an outside consultant, approved by the Bond Insurer, and the Board will be required to follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Phase Four Facilities. So long as the Board shall

be working in good faith with such consultant to increase any deficient Phase Four Debt Service Coverage Ratio, there will not be an Event of Default under this Phase Four Facilities Lease unless (i) the Phase Four Debt Service Coverage Ratio shall be less than 1.25 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees and charges and calculating the Phase Four Debt Service Coverage Ratio, the Board will be required to take into account payments required to be made into the Debt Service Reserve Fund pursuant to the provisions of the Indenture. The Board will further covenant that it will seek any required approval necessary in order to comply with the covenant described under this subheading.

(i) Without the prior written consent of the Bond Insurer, the University will not build, acquire or renovate any similar parking facilities, whether such facilities are owned by the University or a private entity, unless (i) the Phase Four Debt Service Coverage Ratio for the prior Fiscal Year has been met, (ii) the Phase Four Debt Service Coverage Ratio is projected to be met for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in university parking facilities, which is independent from the University, the University's proposed project is not expected to have a material adverse affect on the Phase Four Facilities.

Section 4. Representations and Covenants of the Corporation. The Corporation makes the following representations and covenants:

(a) The Corporation has been validly created under the Louisiana Nonprofit Corporation Law, is currently in good standing under the laws of the State, has the power to enter into the transactions contemplated by, and to carry out its obligations under this Phase Four Facilities Lease, the Phase Four Ground Lease and the Phase Four Agreement. The Corporation is not in breach of or in default under any of the provisions contained in any contract, instrument or agreement to which it is a party or in any other instrument by which it is bound. By proper action, the Corporation has been duly authorized to execute and deliver this Phase Four Facilities Lease, the Phase Four Ground Lease and the Phase Four Agreement;

(b) The execution and delivery of this Phase Four Facilities Lease, the Phase Four Ground Lease and the Phase Four Agreement, and compliance with the provisions thereof and hereof, will not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under any statute, indenture, mortgage, declaration or deed of trust, loan agreement or other agreement or instrument to which the Corporation is a party or by which the Corporation is bound or any order, rule or regulation of any court or Governmental Agency or body having jurisdiction over the Corporation or any of its activities or properties; and all consents, approvals and authorizations which are required of the Corporation for the consummation of the transactions contemplated thereby and hereby have been or timely will be obtained;

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Phase Four Facilities Lease, the Phase Four Ground Lease or any agreement or instrument to which the Corporation is a party;

(d) The Corporation will not take or permit to be taken any action that would have the effect, directly or indirectly, of causing interest on any of the Series 2007 Bonds to be included in gross income for federal income tax purposes.

(e) No bonds, notes or other obligations secured by Phase Four Lawfully Available Funds may be issued except as Additional Phase Four Bonds. Additional Phase Four Bonds may be issued secured by Phase Four Lawfully Available Funds which will be on a parity with the Bonds only as and to the extent authorized and described in the Indenture, provided that, at the time of issuance thereof, no Event of Default or event which with notice or lapse of time, or both, would constitute an Event of Default shall have occurred and be continuing. The issuance of Additional Phase Four Bonds is permitted as follows:

(A) Additional Phase Four Bonds may be issued with the prior approval of the Bond Insurer but without the need for prior approval of the Bondholders.

(B) Bonds issued to refund the Phase Four Bonds in their entirety may be issued without the need for prior approval of the Bondholders or the Bond Insurer.

Section 5. Waiver and Disclaimer of Warranties. The Board acknowledges that the Corporation has not made any representations or warranties as to the suitability or fitness of the Phase Four Facilities and Stadium Expansion for the needs and purposes of the Board or for any other purpose.

The Board further declares and acknowledges that the Corporation in connection with this Phase Four Facilities Lease, does not warrant that the Phase Four Facilities and Stadium Expansion will be upon completion of construction free from redhibitory or latent defects or vices and releases the Corporation of any liability for redhibitory or latent defects or vices under Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695. The Board declares and acknowledges that it does hereby waive the warranty of fitness for intended purposes and guarantee against hidden or latent redhibitory defects and vices under Louisiana law, including Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695, and the warranty imposed by Louisiana Civil Code Articles 2476 and 2695, and waives all rights in redhibition pursuant to Louisiana Civil Code Articles 2520, et seq. The Board further declares and acknowledges that this waiver has been brought to the attention of the Board and explained in detail and that the Board has voluntarily and knowingly consented to this waiver of warranty of fitness and/or warranty against redhibitory defects and vices for the Phase Four Facilities and Stadium Expansion. Notwithstanding the foregoing, the Board hereby retains all of its rights to proceed against any third parties with respect to such defects.

The Corporation disclaims and the Board waives any warranties and representations with respect to compliance with Governmental Regulations, including Environmental Requirements, or the disposal of, or existence in, on, under, or about the Phase Four Facilities or the Stadium Expansion of any Hazardous Substance. The Board acknowledges that the Corporation reserves in this Phase Four Facilities Lease all rights to recover from the Board all costs and expenses imposed on the Corporation to bring the Phase Four Facilities and Stadium Expansion into compliance with any Environmental Requirement, and all costs of Remediation or cleanup of such Hazardous Substance imposed on the Corporation or the Board, which shall be payable by

the Board as Phase Four Additional Rental hereunder to the extent imposed upon the Corporation.

Section 6. Rental.

(a) The Board, for and in consideration of the Corporation entering into the Phase Four Ground Lease, renovating and/or constructing the Phase Four Facilities and the Stadium Expansion in accordance with the Phase Four Ground Lease and leasing the Phase Four Facilities and Stadium Expansion to the Board pursuant to the terms hereof, hereby covenants and agrees to pay the Phase Four Base Rental and Phase Four Additional Rental in the amounts, subject to amounts for which the Board is entitled to a credit as described in Section 6(d) hereof, at the times and in the manner set forth herein, such amounts constituting in the aggregate the total of the rental payable under this Phase Four Facilities Lease. The obligation of the Board to make Phase Four Base Rental and Phase Four Additional Rental payments shall commence on the Commencement Date and shall not be subject to abatement, set-off or reduction as a result of a failure by the Corporation to complete construction of the Phase Four Facilities and Stadium Expansion on a timely basis.

(b) The Board agrees to pay Phase Four Base Rental from Phase Four Lawfully Available Funds. Payments of Phase Four Base Rental shall be due on the dates and in the amounts as hereinafter provided:

(i) Phase Four Base Rental shall be paid on the twenty-fifth (25th) day of each month, commencing March 25, 2007, in an amount equal to one-fifth (1/5th) of the interest due and payable on the Series 2007 Bonds on August 1, 2007 and thereafter, on the twenty-fifth (25th) day of each month commencing August 25, 2007, in an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2007 Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Series 2007 Bonds on such Phase Four Interest Payment Date; and

(ii) On the twenty-fifth (25th) day of each month, commencing March 25, 2007, in an amount equal to one-eleventh (1/11th) of the principal of the Series 2007 Bonds payable on February 1, 2008 and thereafter, on the twenty-fifth (25th) day of each month commencing February 25, 2008, in an amount equal to one-twelfth (1/12th) of the principal of such Series 2007 Bonds payable on the next Phase Four Principal Payment Date;

(iii) On the twenty-fifth (25th) day of each month following any drawing on the Debt Service Reserve Fund in accordance with Section 4.18 of the Indenture, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement within twelve (12) months or (ii) the excess of the Debt Service Reserve Fund Requirement over the amount on deposit in the Debt Service Reserve Fund;

(iv) On the dates required in the Phase Four Indenture, to the Trustee for deposit into any of the funds established in the Phase Four Indenture, including, without

limitation, the Debt Service Reserve Fund and the Phase Four Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Phase Four Indenture; and

(v) Annually, beginning June 25, 2009, an amount equal to one-half of one percent (1/2%) of funds available for construction pursuant to the Construction Contract, as determined by the University, into the Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Bond Insurer.

(c) In addition to the Phase Four Base Rental set forth herein, the Board agrees to pay as Phase Four Additional Rental but only from Phase Four Lawfully Available Funds, any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation on behalf of the Board and/or by the Board or the University in the management, operation, ownership, and/or maintenance of the Phase Four Facilities, including but not limited to the following costs and expenses:

(i) all taxes, assessments and impositions against the Phase Four Facilities, including without limitation ad valorem taxes attributed to the Corporation on behalf of the Board (and any tax levied in whole or in part in lieu of or in addition to ad valorem taxes);

(ii) any costs incurred by the Corporation in maintaining the Phase Four Facilities for the Board and making any alterations, restorations and replacements to the Phase Four Facilities;

(iii) insurance premiums and other charges for insurance obtained with respect to the Phase Four Facilities including insurance premiums, if any, on all insurance required under the provisions of Section 9 of this Phase Four Facilities Lease;

(iv) any Default or Delay Rentals;

(v) all costs incurred by the Corporation in connection with its performance of its obligations relating to the Phase Four Facilities and/or the Phase Four Facilities Land under the Phase Four Ground Lease and this Phase Four Facilities Lease;

(vi) all Administrative Expenses owed to the Issuer or the Trustee;

(vii) Litigation Expenses, if any, incurred pursuant to Section 43 hereof;

(viii) any reimbursement amounts payable pursuant to Section 20 hereof or pursuant to any other provision hereof; and

(ix) any other costs, charges, and expenses commonly regarded as ownership, management, maintenance, and operating expenses, if any, incurred by the Corporation under this Phase Four Facilities Lease.

Amounts constituting Phase Four Additional Rental payable hereunder shall be paid by the Board directly to the person or persons to whom such amounts shall be due. The Board shall pay all such amounts when due or within thirty (30) days after notice in writing from the Corporation or the Trustee to the Board stating the amount of the Phase Four Additional Rental then due and the purpose thereof.

In addition to Base Rental and Additional Rental required hereby, the Board (a) covenants to make an extraordinary rental payment to fund a portion of the capital cost of the Phase Four Facilities and the Stadium Expansion described in **Exhibit A-1** hereto from funds on hand, not to exceed \$5,170,000, on or after October 1, 2006; and (b) shall have the option to make Rental payments for the express purpose, and only for the purpose, of prepayment of the Bonds pursuant to Section 3.4 of the Indenture and Section 4.05 of the Loan Agreement, such payment of extraordinary rent shall be solely at the option of the University and the Board and shall be paid in accordance with the provisions hereof and of the Indenture and the Loan Agreement, and such provisions shall control regarding written directions to the Trustee for redemption.

(d) The Board shall be entitled to a credit against and reduction of each Phase Four Base Rental payment in an amount equal to any amounts derived from the following sources:

- (i) Accrued interest derived from the sale of the Phase Four Bonds;
- (ii) Any capitalization of interest from the proceeds of the Phase Four Bonds contained in the Capitalized Interest Fund under the Phase Four Indenture;
- (iii) the Phase Four Lawfully Available Funds and any other moneys deposited with the Trustee in the Phase Four Receipts Fund in accordance with the Phase Four Indenture.
- (iv) Surplus moneys (including investment earnings) contained in the funds and accounts held by the Trustee under the Phase Four Indenture, including the Debt Service Fund, the Debt Service Reserve Fund and the Phase Four Replacement Fund;

(e) Notwithstanding any other provision of the Facilities Lease, the obligation of the Board to make payments under this Phase Four Facilities Lease, including payments of Phase Four Base Rental and Phase Four Additional Rental, shall be subject to, and dependent upon, appropriation of Phase Four Lawfully Available Funds necessary to make the payments required under this Phase Four Facilities Lease. The Vice President for Operations and Facilities of the Board shall cause the University to include in the Budget and, if necessary, any amendments to the Budget, an amount of Phase Four Lawfully Available Funds sufficient to make the payments of Phase Four Base Rental and Phase Four Additional Rental described herein which amounts may or may not ultimately be appropriated by the Board for such purpose. Subject to the foregoing and Section 29 hereof, the obligations of the Board to make payments pursuant to this

Phase Four Facilities Lease, and to perform and observe the other agreements and covenants on its part contained herein, shall be absolute and unconditional and shall not be subject to any diminution, abatement, set-off, or counterclaim. Subject to the foregoing and Section 29 hereof, until such time as the principal of, premium, if any, and interest on the Phase Four Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with this Phase Four Facilities Lease, the Board shall not suspend or discontinue payment of Rental or any other payments pursuant to this Phase Four Facilities Lease for any cause, and shall continue to perform and observe all of its agreements contained in this Phase Four Facilities Lease. The Corporation and the Board acknowledge and agree that the obligation of the Board to pay Rental shall constitute a current expense of the Board payable by the Board from funds budgeted and appropriated in accordance with law for and in consideration of the right to use the Phase Four Facilities and Stadium Expansion during the Term and that such obligation shall not in any manner be construed to be a debt of the Board in contravention of any constitutional or statutory limitations or requirements concerning indebtedness of the Board and nothing contained herein shall constitute a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

(f) The payments of Phase Four Base Rental and Phase Four Additional Rental under this Phase Four Facilities Lease for each Fiscal Year or portion thereof during the Term shall constitute the total Rental for such Fiscal Year or portion thereof and shall be paid by the Board for and in consideration of the construction by the Corporation of the Phase Four Facilities and Stadium Expansion and the right to the use and occupancy of the Phase Four Facilities and Stadium Expansion by the Board for and during such Fiscal Year or portion thereof.

(g) Amounts necessary to pay each Phase Four Base Rental payment shall be deposited by the Board on the dates set forth in Section 6(b) hereof in lawful money of the United States of America at the office of the Trustee or at such other place or places as may be established by the Corporation and/or Trustee in accordance with the Phase Four Indenture. Any amount necessary to pay any Phase Four Base Rental payment or portion thereof which is not so deposited shall remain due and payable until received by the Trustee. Notwithstanding any dispute between the Board and the Corporation hereunder, the Board shall make all Rental payments when due and shall not withhold payment of any Rental pending the final resolution of such dispute or for any other reason whatsoever.

(h) This Phase Four Facilities Lease is intended to be a triple net lease. The Board agrees that the Rental provided for herein shall be an absolute net return to the Corporation free and clear of any expenses, charges, taxes, abatements, counterclaims, reductions or set-offs whatsoever of any kind, character or nature; it being understood and agreed to by the Board that the Board shall bear responsibility for the payment of all costs and expenses associated with the ownership, management, operation, and maintenance of the Phase Four Facilities and Stadium Expansion. Under no circumstances will the Corporation be required to make any payment on the Board's behalf or for the Board's benefit under this Phase Four Facilities Lease, or assume any monetary obligation of the Board under this Phase Four Facilities Lease, or with respect to the Phase Four Facilities and Stadium Expansion.

(i) The State, through the Division of Administration, is not, at any time whatsoever, obligated, committed or required to provide funds by legislative appropriation or any other

means to pay debt service on the Series 2007 Bonds or to support the continued operation and maintenance of the Phase Four Facilities and Stadium Expansion, it being understood that the lease payments payable by the Board under this Phase Four Facilities Lease are payable solely from Student Fees and Auxiliary Revenues and the Board is not legally committed, obligated or required to make available any other funds to make the lease payments hereunder.

Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service.

(a) The University, at the direction of the Board, shall be responsible for ensuring that all services necessary or required in order to adequately operate the Phase Four Facilities and the Stadium Expansion in accordance with the Permitted Use are provided and maintained. The University shall continuously operate or cause to be operated the Phase Four Facilities and Stadium Expansion each from their respective Date of Opening and continuing for the remainder of the Term for the Permitted Use, and in accordance with all Governmental Regulations.

(b) The University, at the direction of the Board, shall be responsible for maintaining the Phase Four Facilities and Stadium Expansion and shall make or contract or cause to be made or contracted with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Phase Four Facilities and Stadium Expansion, including without limitation the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, and foundations, fixtures, equipment, and appurtenances to the Phase Four Facilities and Stadium Expansion as and when needed to preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are at the fault of the Board, the Corporation or some Other Party. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class presently located in the Phase Four Facilities and Stadium Expansion.

(c) The University, at the direction of the Board, shall have the right during the Term to cause the Corporation or some other Party to make or construct any additions or improvements to the Phase Four Facilities and Stadium Expansion, alter the Phase Four Facilities and Stadium Expansion, attach fixtures, structures, or signs to or on the Phase Four Facilities and Stadium Expansion, and affix personal property to the Phase Four Facilities and Stadium Expansion without the Corporation's prior written consent to the extent allowed under the terms of any insurance covering the Phase Four Facilities and Stadium Expansion. All such alterations, improvements, additions, attachments, repairs, restorations, and replacements of all or any portion of the Phase Four Facilities and Stadium Expansion shall (i) be at the sole cost and expense of the University; (ii) not reduce the then fair market value of the Phase Four Facilities and Stadium Expansion; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations.

(d) The University, at the direction of the Board, shall provide or cause to be provided all security service, custodial service, janitorial service, trash disposal, and all other services necessary for the proper upkeep and maintenance of the Phase Four Facilities and Stadium Expansion as required herein. The Board acknowledges that the Corporation has made

no representation or warranty with respect to systems and/or procedures for the security of the Phase Four Facilities, any persons occupying, using or entering the Phase Four Facilities and Stadium Expansion, or any equipment, furnishings, or contents of the Phase Four Facilities and Stadium Expansion. It is the sole responsibility of the Board, through the University to cause to be provided or to provide for the security of persons on or entering the Phase Four Facilities and Stadium Expansion and/or property located at the Phase Four Facilities and Stadium Expansion, in accordance with reasonable and prudent business practices.

Section 8. Utilities. All utilities which are used or consumed in or upon or in connection with the Phase Four Facilities and Stadium Expansion during the Term, including, without limitation water, gas, electricity, sewerage, garbage, or trash removal, light, cable, heat, telephone, power, computer data and other utilities necessary for the operation of the Phase Four Facilities and Stadium Expansion ("Utility Service") shall be the responsibility of the Board and/or the Permitted Sublessees using the Phase Four Facilities and Stadium Expansion. Payments for Utility Services provided to the entire Phase Four Facilities and Stadium Expansion or to the common areas of the Phase Four Facilities and Stadium Expansion under such contract or contracts therefor as the Board may make shall be made by the Board directly to the respective utility companies furnishing such Utility Services.

The Corporation shall have no responsibility to the Board for the quality or availability of Utility Service to the Phase Four Facilities and Stadium Expansion, or for the cost to procure Utility Service. The Corporation shall not be in Default under this Phase Four Facilities Lease or be liable to the Board or any other Person for direct or consequential damage, or otherwise, for any failure in supply of any Utility Service, heat, air conditioning, elevator service, cleaning service, lighting, security, or for surges or interruptions of electricity.

Section 9. Insurance.

(a) The University, at the direction of the Board, shall cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Phase Four Facilities and Stadium Expansion against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance shall be not less than the full replacement cost of the Phase Four Facilities or Stadium Expansion, without deduction for depreciation. In the event that the Phase Four Facilities or Stadium Expansion are not repaired or replaced, insurance proceeds shall be no greater than the actual cash value (replacement cost less depreciation) of the Phase Four Facilities or Stadium Expansion at the time of the loss. The policy shall be adjusted to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Phase Four Facilities and Stadium Expansion and the operations related thereto, whether conducted on or off the Phase Four Facilities or Stadium Expansion, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Phase Four Facilities and Stadium Expansion, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the Corporation in connection with the Phase Four Facilities and Stadium Expansion and to cover full liability for compensation under any such act aforesaid.

(b) The Corporation shall:

(i) cause all of the construction professionals to secure and maintain:

(A) Comprehensive or Commercial General Liability insurance;

(B) Errors and Omissions insurance;

(C) Automobile Liability insurance;

(D) Worker's Compensation insurance;

(E) an all Risk Builder's Policy upon the construction on the Property;
and

(F) boiler and machinery or additional property insurance;

all as required by the terms of any construction contracts entered into with regards to the demolition of certain existing facilities and the renovation, development and construction of the Phase Four Facilities and Stadium Expansion.

All insurance required in this Section and all renewals of such insurance (excepting self insurance or commercial insurance, through ORM) shall be issued by commercial insurers authorized to transact business in the State, and rated at least A- by Best's Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody's. All insurance

policies provided or caused to be provided by the Corporation shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to the University and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the Corporation or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University is obligated to maintain according to this Phase Four Facilities Lease (other than any policy of worker's compensation insurance) will name the Corporation, the Trustee and such other Persons or firms as the University may be required to name from time to time as additional insureds and shall expressly provide that the policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Corporation and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the University or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University shall be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured with respect to destruction of or damage to any portion of the Phase Four Facilities by fire, earthquake or other casualty or event shall be paid to the Trustee (or, in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of Section 11 of this Phase Four Facilities Lease and the Phase Four Indenture.

The Corporation shall certify annually to the Bond Insurer that all insurance policies required by this Section 9 are as of the date of such certification in place and in effect with respect to the Phase Four Facilities.

Section 10. Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Phase Four Facilities and Stadium Expansion due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Phase Four Facilities or Stadium Expansion by condemnation, expropriation, or eminent domain proceedings (collectively "Expropriation") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Phase Four Base Rental, Phase Four Additional Rental or any other obligation hereunder.

Section 11. Application of Insurance Proceeds; Condemnation Award. (a) If during construction, all or any portion of the Phase Four Facilities or Stadium Expansion is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Phase Four Facilities or the Stadium Expansion in excess of the proceeds of any insurance or of

any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Phase Four Facilities and Stadium Expansion by the Board on behalf of the Corporation, the Board shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Phase Four Facilities shall be delivered to the Trustee and held by the Trustee in trust (or in the case of self insurance through ORM, as set forth in paragraph (b) below), and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Phase Four Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Phase Four Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Phase Four Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Phase Four Facilities shall be paid by Trustee in accordance with the terms of the Phase Four Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore or replace the Phase Four Facilities, the proceeds shall be paid to the Board for immediate delivery to Trustee and used to redeem the Outstanding Phase Four Bonds.

Notwithstanding the foregoing, the Corporation's obligation to replace the Phase Four Facilities and Stadium Expansion in the event of Expropriation Proceedings is dependent on the Board entering into a lease with a different portion of the Campus as provided in Section 13.03 of the Phase Four Ground Lease. In the event it is necessary to restore or replace the Phase Four Facilities or the Stadium Expansion in a different location because of the Expropriation of all or a portion of the Phase Four Facilities or Stadium Expansion, the Corporation and the Board agree to amend or enter into a new Facilities Lease and Ground Lease in accordance with Sections 13.03 of the Phase Four Ground Lease. In the event the Board, pursuant to the Phase Four Ground Lease, decides not to repair, restore or replace the Phase Four Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Phase Four Bonds in accordance with the terms of the Phase Four Indenture, and this Phase Four Facilities Lease and the Phase Four Ground Lease shall terminate on the date that the events described in Section 2 (a) or 2 (b) hereof have occurred.

(b) In the event that ORM insures the Phase Four Facilities or Stadium Expansion, the Board shall use the insurance proceeds received from ORM in accordance with Policy and

Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Phase Four Facilities or Stadium Expansion.

Section 12. Encumbrances.

(a) **Payment by the Board.** The Board shall pay or cause to be paid all costs and charges for alterations, improvements, additions, repairs and maintenance ("Work") (i) done by the Board or caused to be done by the Board in or to the Phase Four Facilities and Stadium Expansion, and (ii) for all materials furnished for or in connection with such Work. The Corporation reserves all rights to collect for any loss or damage sustained or incurred by the Corporation resulting from any and all Encumbrances, demands or liabilities arising on account of the Work, which shall be payable by the Board as Additional Rent hereunder.

(b) **Failure to Discharge.** If the Board fails to pay any charge for which an Encumbrance has been filed, and the Phase Four Facilities and Stadium Expansion or any portion thereof is placed in imminent danger of being seized, the Corporation may, but shall not be obligated to, pay such charge and related costs and interest, and the amount so paid, together with reasonable Legal Expenses incurred in connection with such Encumbrance, will be immediately due from the Board to the Corporation as Phase Four Additional Rental. Nothing contained in this Phase Four Facilities Lease will be deemed the consent or agreement of the Corporation to subject the Corporation's interest in the Phase Four Facilities or the Stadium Expansion to liability under any Encumbrance, or any mechanics', materialman's or other lien law. If the Board receives written notice that an Encumbrance has been or is about to be filed against the Phase Four Facilities or the Stadium Expansion, or that any action affecting title to the Phase Four Facilities or the Stadium Expansion has been commenced on account of Work done by or for the Board or for materials furnished to or for the Board, it shall immediately give the Corporation Notice of such notice.

(c) **Notice of Work.** At least fifteen (15) days prior to the commencement of any Work in or to the Phase Four Facilities and Stadium Expansion, by or for the University, the University shall give the Corporation Notice of the proposed Work and the names and addresses of the Persons supplying labor and materials for the proposed Work. The Corporation will have the right to post notices of nonresponsibility or similar written notices on the Phase Four Facilities and the Stadium Expansion in order to protect the Phase Four Facilities and Stadium Expansion against any such claimants.

Section 13. Assignment and Sublease. (a) Neither this Phase Four Facilities Lease nor any interest of the Board in the Phase Four Facilities shall be mortgaged, pledged, assigned or transferred by the Board by voluntary act or by operation of law, or otherwise; provided, however, the Board may sublease all or any portion of the Phase Four Facilities or Stadium Expansion, or grant concessions involving the use of all or any portion of the Phase Four Facilities or Stadium Expansion, whether such concessions purport to convey a leasehold interest or a license to use all or a portion of the Phase Four Facilities or Stadium Expansion to any University student, faculty, staff or Permitted Sublessee. No such concession, leasehold interest or license to use the Phase Four Facilities or Stadium Expansion shall be granted to any

University students, faculty or staff for a term of more than one (1) year. The Board shall, however, at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Phase Four Facilities Lease (including, without limitation, the payment of Phase Four Base Rental and Phase Four Additional Rental), notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the Board from its obligations to pay Phase Four Base Rental and Phase Four Additional Rental as provided in this Phase Four Facilities Lease or to relieve the Board from any other obligations contained herein. Other than subleases to University students, faculty, staff and Permitted Sublessees, in no event will the Board sublease or permit the use of all or any part of the Phase Four Facilities to any person without an opinion of Bond Counsel that such will not cause interest on the Phase Four Bonds to be included in the gross income of the owners of the Series 2007 Bonds for federal income tax purposes.

(b) The Corporation shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Phase Four Facilities Lease, including without limitation its right to receive Phase Four Base Rental payable hereunder, to the Issuer pursuant to the Phase Four Agreement, and the Issuer will in turn assign its rights under this Phase Four Facilities Lease to the Trustee pursuant to the Phase Four Indenture. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith. Anything required or permitted to be done by the Corporation under this Phase Four Facilities Lease may be done by the Trustee under the Phase Four Indenture.

(c) Except as set forth in Section 13(b) hereof, the Corporation shall not sell or assign its interest in the Facility or this Phase Four Facilities Lease without the prior written consent of the Board.

Section 14. Additions and Improvements Removal. At the expiration of the Term, or termination of this Phase Four Facilities Lease, all alterations, fixtures, improvements and additions made by the Board or the University and all equipment placed upon the Phase Four Facilities and Stadium Expansion that are incorporated into or made into component parts of the Phase Four Facilities and Stadium Expansion, as well as, title to all property, furniture, equipment, fixtures, and other property installed at or placed upon the Phase Four Facilities and Stadium Expansion by the Board which is not incorporated into or made a component part of the Phase Four Facilities and Stadium Expansion remain the property of the Board.

The Board hereby agrees to replace such property from time to time as such property becomes worn out, obsolete, inadequate, unsuitable or undesirable. The Board may add to or remove such property from time to time, and upon expiration of the Term, provided that the Board repairs any damage to the Phase Four Facilities and Stadium Expansion caused by such removal.

Section 15. Right of Entry. Representatives of the Corporation and the Bond Insurer shall, subject to reasonable security precautions, and upon giving the Board not less than twenty-four (24) hours advance Notice, have the right to enter upon the Phase Four Facilities during reasonable business hours (and in emergencies without notice and at all times) accompanied by a Board Representative (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Corporation under this Phase Four Facilities Lease, or (iii) for all other lawful

purposes. Any right of access to any portion of the Phase Four Facilities leased to the students, faculty, staff or Permitted Sublessees shall be subject to their rights pursuant to their rental agreements and University policy.

Section 16. Mortgage Prohibition. Except as set forth in the Phase Four Indenture, the Phase Four Ground Lease and the Phase Four Agreement, the Corporation shall not be entitled to mortgage or grant a security interest in the Phase Four Facilities or Stadium Expansion.

Section 17. Sale of Phase Four Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest. If a person other than the Corporation shall succeed to the rights of the Corporation hereunder (in any case with the prior written consent of the Board as required hereby), upon the declaration of the successor to the Corporation's interest in this Phase Four Facilities Lease, the Board agrees to fully attorn to and recognize any such successor as the Board's landlord under this Phase Four Facilities Lease upon the then existing terms of this Phase Four Facilities Lease, provided that such successor shall agree in writing to accept the Board's attornment and not to disturb the Board's possession so long as the Board shall observe the provisions and all covenants of this Phase Four Facilities Lease. This attornment provision shall inure to the benefit of any such successor and shall be self-operative upon the election and declaration by such successor, and no further instrument shall be required to give effect to the provisions. However, the Board agrees to evidence and confirm the foregoing attornment provisions by the execution and delivery of instruments in recordable form satisfactory to such successor.

If the Phase Four Facilities or the Stadium Expansion, or any part thereof, shall be sold or otherwise transferred by sale, assignment, transfer or other contract, or by operation of law or otherwise (in the case of the Phase Four Facilities, with the prior written consent of the Board as required hereby and with an opinion of Bond Counsel that such action will not cause interest on the Series 2007 Bonds to be included in the gross income of the owner of the Series 2007 Bonds for federal tax purposes), and if such written consent specifically so provides, the Corporation shall be automatically and entirely released and discharged to the extent of the interest in or the portion of the Phase Four Facilities or Stadium Expansion sold, assigned or transferred from and after the effective date of such sale, assignment or transfer of all liability for the performance of any of the covenants of this Phase Four Facilities Lease on the part of the Corporation thereafter to be performed. The purchaser or other transferee of the Phase Four Facilities or Stadium Expansion shall be deemed to have agreed to perform such covenants of the Corporation from and after the date of such assignment or sale during such transferee's period of ownership of the Corporation's interest under this Phase Four Facilities Lease, all without further agreement between the Corporation, its successor and the Board. The Corporation's transferee shall not be held responsible for the performance of any of the covenants of this Phase Four Facilities Lease on the part of the Corporation required to be performed prior to such sale and transfer, the Board reserving its rights against the Corporation for any unperformed covenants prior to such sale or transfer.

Section 18. Quiet Enjoyment. The Corporation covenants that the Board, on paying the Rental and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Board or the University, shall and may peaceably and

quietly have, hold, occupy, use, and enjoy the Phase Four Facilities and the Stadium Expansion during the Term and may exercise all of its rights hereunder; and the Corporation agrees to warrant and forever defend the Board's right to such occupancy, use, and enjoyment and the title to the Phase Four Facilities and Stadium Expansion against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Phase Four Facilities Lease.

Section 19. Environmental Compliance and Indemnity.

(a) **Environmental Compliance.** The Board or the University shall operate or cause to be operated the Phase Four Facilities and Stadium Expansion in compliance with all Environmental Requirements continuously during the Term, and for such periods of time prior to the Commencement Date and after the Expiration Date, as long as the Board is in possession of the Phase Four Facilities and Stadium Expansion, in whole or in part. The Board shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Phase Four Facilities, the Phase Four Facilities Land, the Stadium Expansion or the Stadium Expansion Land, except for such Hazardous Substance as is necessary or useful to the operation of the Phase Four Facilities and Stadium Expansion.

(b) **The Board's Liability.** If the Board fails to comply with any of the foregoing warranties, representations, and covenants, and removal or Remediation of any Hazardous Substance found on the Phase Four Facilities and Stadium Expansion is required by Environmental Requirements or Governmental Authority, the Board shall promptly undertake the removal or Remediation of such Hazardous Substance, at the Board's sole cost and expense. In the event the Board fails or refuses to undertake such removal or Remedial actions, the Corporation may cause the removal or Remediation (or other cleanup reasonable acceptable to the Corporation) of any such Hazardous Substance from the Phase Four Facilities, the Phase Four Facilities Land, the Stadium Expansion or the Stadium Expansion Land. The reasonable costs of removal, Remediation, or any other cleanup (including transportation and storage costs) will be considered as Phase Four Additional Rental under this Phase Four Facilities Lease, whether or not a court has ordered the cleanup, and those costs will become due and payable within ninety (90) days of written demand by the Corporation. In connection therewith, the Board will give the Corporation, its agents, and employees access to the Phase Four Facilities and/or the Stadium Expansion to remove, remediate, or otherwise clean up any Hazardous Substance. The Corporation, however, has no affirmative obligation to remove, remediate, or otherwise clean up any Hazardous Substance, and this Phase Four Facilities Lease will not be construed as creating any such obligation. The Board hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of any Hazardous Substance located in or about the Phase Four Facilities and Stadium Expansion by the Board.

Section 20. The Corporation's Reservation of Rights.

(a) The Corporation hereby reserves all of its rights to recover from the Board for any and all Claims asserted against the Corporation, including Litigation Expenses arising out of or by reason of:

(i) any injury to or death of any person or damage to property occurring on or about the Phase Four Facilities or Stadium Expansion occasioned by or growing out of or arising or resulting from any tortious or negligent act on the part of the Board in connection with the operation and management of the Phase Four Facilities or Stadium Expansion; or

(ii) any failure, breach, or default on the part of the Board in the performance of or compliance with any of the obligations of the Board under the terms of this Phase Four Facilities Lease.

(b) Notwithstanding the fact that it is the intention of the parties that the Corporation shall not incur any pecuniary liability by reason of the terms of this Phase Four Facilities Lease or the undertakings required of the Corporation hereunder, nevertheless, if the Corporation should incur any such pecuniary liability, then in that event, the Corporation shall be entitled to assert all rights and remedies granted in law or in equity to recover from the Board the amount of any pecuniary liability incurred by the Corporation, plus all Litigation Expenses incurred in defense of such liability to the extent subject to indemnification pursuant to Subsection (a) above.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Corporation contained in this Phase Four Facilities Lease or any Claim based thereon against the Corporation or of any successor thereto or member thereof, either directly or through the Corporation whether by virtue of any constitutional provision, statute, or rule of law. This Phase Four Facilities Lease and the obligations of the Corporation hereunder, and any Claim asserted against the Corporation are solely corporate obligations, and the enforcement of any obligation or Claim shall be limited solely to the Corporation's interest in the Phase Four Facilities or Stadium Expansion. No personal liability shall attach to, or be incurred by, any officer, director, agent, employee or member of the Corporation and the Board acknowledges that all personal liability of any character against every such officer, director, agent, employee or member by the execution of this Phase Four Facilities Lease, is expressly waived and released. The immunity of any officer, director, agent, employee or member of the Corporation under the provisions contained in this Section 20 shall survive any acquisition of the Phase Four Facilities and Stadium Expansion by the Board and the expiration or other termination of this Phase Four Facilities Lease.

Section 21. Default by the Board. If (i) the Board shall fail to deposit with the Trustee any Phase Four Base Rental payment required to be so deposited pursuant to Section 6 hereof by the close of business on the day such deposit is required pursuant to Section 6 hereof, and shall fail to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Phase Four Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under this Lease (other than the payment of Phase Four Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants or conditions herein, and (except with regard to any breach of the covenant set forth in Section 3(h) which section contains the timeframe whereby the failure to meet the Phase Four Debt Service Coverage Ratio shall be come an Event of Default) shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or

such longer period as the Bond Insurer may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board shall be deemed to be in default hereunder, and the Corporation shall have the right, at its option, without any further demand or notice to terminate this Phase Four Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board, in which case the Board's right to possession of the Phase Four Facilities and the Stadium Expansion will cease and this Phase Four Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing for the period up to the time the Corporation regains possession (which have been approved for payment under this Phase Four Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board which survive termination of this Phase Four Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Phase Four Facilities and the Stadium Expansion and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry shall be allowed by the Board without hindrance, and the Corporation shall not be liable in damages for any such re-entry or be guilty of trespass. The Corporation understands and agrees that upon its termination of the Board's right to possession of the Phase Four Facilities and the Stadium Expansion or termination of this Phase Four Facilities Lease, the Corporation upon its re-entry of the Phase Four Facilities shall only be allowed to use the Phase Four Facilities and the Stadium Expansion for the Permitted Use and shall be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Phase Four Facilities and the Stadium Expansion.

Notwithstanding any other provision of this Phase Four Facilities Lease, (i) in no event shall the Corporation have the right to accelerate the payment of any Phase Four Base Rental payment hereunder and (ii) the Bond Insurer shall have ninety (90) days to cure an Event of Default hereunder.

Notwithstanding anything contained in this Section 21 to the contrary, a failure by the Board to pay when due any payment required to be made under this Phase Four Facilities Lease or a failure by the Board to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Phase Four Facilities Lease, resulting from a failure by the Board to appropriate moneys shall not constitute an Event of Default under this Section 21 and the Corporation shall not have any of the remedial rights set forth in this Section 21. Notwithstanding the foregoing, in such event the Board acknowledges that the Phase Four Facilities Lease shall terminate and the Board shall immediately vacate the Phase Four Facilities and Stadium Expansion, and deliver the Phase Four Facilities and Stadium Expansion to the Corporation.

Section 22. Cumulative Remedies. Each right and remedy provided for in this Phase Four Facilities Lease is cumulative and is in addition to every other right or remedy provided for in this Phase Four Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in this Phase Four Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of

any or all other rights or remedies provided for in this Phase Four Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of this Phase Four Facilities Lease or to enforce any provision of this Phase Four Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by the Board of any breach by the Corporation of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 23. Option to Purchase. For and in consideration of the obligations of the Board under this Phase Four Facilities Lease, the mutual undertakings of the parties, the receipt and adequacy of which is hereby acknowledged, the Corporation grants to the Board an exclusive and irrevocable option to purchase for the price and on the terms, provisions, stipulations and conditions hereinafter set forth, all but not less than all of the Corporation's leasehold interest in that portion of the Phase Four Facilities and/or Stadium Expansion.

(a) **Effective Date.** The effective date of this Option agreement shall be the Commencement Date.

(b) **Term of Option.** The Option shall expire at midnight Central Standard Time, on the Expiration Date, or upon the termination of this Phase Four Facilities Lease, whichever occurs first.

(c) **Limitation on Exercise of Option.** The Board may not exercise the Option, and the Option shall be voidable, at the sole election of the Corporation, if a Default by the Board has occurred and is continuing under the Phase Four Facilities Lease, and the applicable time period in which the Board may cure such default has expired. Notwithstanding any provision of this Option to the contrary, the Board shall be entitled to exercise the Option as long as the Board is legally obligated to make payments of Phase Four Base Rental under the Phase Four Facilities Lease.

(d) **Exercise of Option.** The Board may exercise the Option herein granted at any time on or before expiration of the Term with respect to the Stadium Expansion and on any Interest Payment Date on or after August 1, 2014 or on the date the Phase Four Bonds are defeased pursuant to Article XII of the Phase Four Indenture with respect to the Phase Four Facilities, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to such Phase Four Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase such portion of the Phase Four Facilities.

(e) **Purchase Price.** The Purchase Price (i) for the Phase Four Facilities shall be equal to the principal of all Phase Four Bonds then Outstanding plus the interest to accrue on such Phase Four Bonds until the purchase date plus any prepayment penalties, charges or costs for early prepayment or defeasance of the Phase Four Bonds and any Administrative Expenses owed prior to the purchase date which payments are necessary to discharge the Phase Four

Indenture pursuant to Article XII thereof ; and (ii) for the Stadium Expansion shall be one dollar (\$1.00) (collectively, the "Purchase Price").

(f) **Effect on Facilities Lease and Ground Lease.** Upon the purchase of the Corporation's leasehold interest in the Phase Four Facilities or the Stadium Expansion, as the case may be, by the Board pursuant to this Option, the Phase Four Facilities Lease and the Phase Four Ground Lease shall terminate with respect to that portion of the Phase Four Facilities Land or the Stadium Expansion Land, as applicable, and that portion of the Phase Four Facilities or Stadium Expansion and all of the Corporation's leasehold interest in that portion of the Phase Four Facilities Land or the Stadium Expansion Land, as applicable, and that portion of the Phase Four Facilities or Stadium Expansion under the Phase Four Facilities Lease shall terminate but shall continue in effect with respect to that portion of the Phase Four Facilities or Stadium Expansion not so purchased. A purchase of the Corporation's leasehold interest in the Stadium Expansion shall (A) require an opinion of Bond Counsel that such purchase will not cause interest on the Phase Four Bonds to be included in the gross income of the owners of the Series 2007 Bonds for Federal income tax purposes and (B) not reduce the Rental payable by the Board hereunder.

(g) **Payment of Purchase Price.** The Board, on the purchase date, shall deposit an amount equal to the applicable Purchase Price with the Trustee in the case of the Phase Four Facilities and with the Corporation with respect to the Stadium Expansion.

(i) **Conveyance.** In the event of and upon the payment of the applicable Purchase Price and any other sums due under this Phase Four Facilities Lease by the Board, the Corporation will on the purchase date execute and deliver to the Board a written cancellation of the Phase Four Ground Lease and this Phase Four Facilities Lease with respect to that portion of the Phase Four Facilities and/or the Stadium Expansion.

(ii) **Assignment of Contract Rights and Obligations.** The conveyance of the Corporation's leasehold interest in any portion of the Phase Four Facilities and/or the Stadium Expansion shall also effect a transfer and assignment of all rights, warranties and liabilities of the Corporation under then existing contracts of any nature with respect to that portion of the Phase Four Facilities and/or the Stadium Expansion.

(h) **Closing.** In the event the Option is timely exercised, notice of the Board's election to the Corporation shall constitute an irrevocable conversion of the Option into a binding obligation of the Corporation to sell its leasehold interest in that portion of the Phase Four Facilities and/or the Stadium Expansion and the Board to buy the same under the terms and conditions set forth in this Section 23, and in such event, the Corporation and the Board shall have the right to demand specific performance of this agreement by the other. The closing shall occur at the offices of the Board or its counsel, or at such other time, place, and date as agreed upon by the Corporation and the Board.

(i) **Closing Costs.** The Board shall pay all closing costs and charges incident to the conveyance of the Corporation's interest in the Phase Four Facilities Land, the Stadium Expansion Land, the Phase Four Facilities and the Stadium Expansion.

(j) **No Warranty.** The Corporation shall convey its leasehold interest in the Phase Four Facilities and Stadium Expansion without any warranty whatsoever of any nature. The conveyance of the leasehold interest in the Phase Four Facilities and Stadium Expansion shall be without any warranty as to fitness and condition, as set forth in Section 5 of this Phase Four Facilities Lease. Language substantially similar to the language contained in Section 5 of this Phase Four Facilities Lease shall be incorporated into and made a part of such conveyance. In no event shall the Corporation be responsible for any defects in title.

(k) **Default under the Option:**

(i) In the event the Option is exercised, and the Corporation fails to consummate the transactions contemplated herein for any reason, except default by the Board or the failure of the Board to satisfy any of the conditions set forth herein, the Board may, in addition to any other rights and remedies which may otherwise be available to the Board, enforce this agreement by specific performance. The Board's remedies under this Section are expressly subject to the provisions of Section 30 of this Phase Four Facilities Lease.

(ii) In the event the Option is exercised, and the Board fails to consummate the transactions contemplated herein for any reason, except default by the Corporation or the failure of the Corporation to satisfy any of the conditions set forth herein, the Corporation (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the Board's delay; or (b) may bring suit for damages for breach of this agreement.

(iii) No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Section 23 shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any condition or any subsequent breach of the same or any other term, covenant or condition contained in this Section 23 shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

(l) **Attorney's Fees.** Should either party employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this agreement, or to recover damages for the breach of this agreement, the party prevailing in any final judgment shall have the right to collect from the losing party all Litigation Expenses incurred in enforcing such rights.

(m) **Notices.** Any notices required or permitted under this Section 23 shall be in writing and delivered either in person to the other party, or the other party's authorized agent, or by United States Certified Mail, return receipt requested, postage prepaid, to the address set forth in Section 50 of this Phase Four Facilities Lease, or to such other address as either party may designate in writing and delivered as herein provided.

(n) **Assignability.** Except as set forth in the Phase Four Indenture or the Phase Four Ground Lease, the Option may not be assigned by the Corporation or its interest in the Phase

Four Facilities and/or the Stadium Expansion sold (subject to the Option or otherwise) to any person or entity without the Board's prior written consent, which consent may be withheld by the Board in its sole discretion.

(o) **Time of Essence.** Time is of the essence of this Option.

(p) **Binding Effect.** This Option shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors and assigns.

Section 24. Severability. If any provisions of this Phase Four Facilities Lease shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable, to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Phase Four Facilities Lease shall not affect the remaining portions of this Phase Four Facilities Lease, or any part thereof.

Section 25. Redemption of Phase Four Bonds. The Corporation agrees that it will not exercise its option to redeem any Phase Four Bonds pursuant to the Phase Four Indenture unless the Board consents to such redemption or such redemption is to be effected with moneys derived from a source other than payments made by the Board under this Phase Four Facilities Lease, however, in no event shall the mandatory redemption of any Phase Four Bonds pursuant to the Phase Four Indenture require the consent of the Board. The Corporation further agrees that if requested by the Board it will take all actions necessary to redeem all or any portion of the Phase Four Bonds designated by the Board on the first date that it may do so under the terms of the Phase Four Indenture so long as the Board agrees to provide funds in an amount, and at the time, required to effect such redemption.

Section 26. Additional Phase Four Bonds. Upon the request and at the expense of the Board, the Corporation shall take action as may be required to effect the issuance of Additional Phase Four Bonds in such amount as the Board may request as permitted by and in accordance with the provisions of the Phase Four Indenture for any purpose permitted thereby.

Section 27. Execution. This Phase Four Facilities Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which together shall constitute one and the same Phase Four Facilities Lease.

Section 28. Law Governing. This Phase Four Facilities Lease is made in the State under the constitution and laws of the State and is to be governed by the laws of the State.

Section 29. Nonappropriation of Funds. In the event no funds or insufficient funds are lawfully appropriated in any Fiscal Year enabling the payment of Phase Four Base Rental and Phase Four Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the

month following the Phase Four Base Rental payment date on which the last payment of Phase Four Base Rental can be made in full from Phase Four Lawfully Available Funds, this Phase Four Facilities Lease shall terminate as to the Phase Four Facilities without penalty or expense to the Board of any kind whatsoever, except as to the portions of Phase Four Base Rental and Phase Four Additional Rental payments herein agreed upon for Fiscal Years for which sufficient funds have been lawfully appropriated. In the event of such termination, the Board agrees peaceably to surrender possession of the Phase Four Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Phase Four Facilities and re-let or sell the Phase Four Facilities as the Corporation determines and as granted in this Phase Four Facilities Lease. The Board acknowledges that the Corporation's rights to take possession and to re-let or sell the Phase Four Facilities under this Section 29 may be assigned to the Trustee for the benefit of the owners of the Phase Four Bonds, and the Board agrees that the Trustee shall be entitled to exercise all of the rights of the Corporation under this Section 29. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under this Phase Four Facilities Lease shall not constitute a default hereunder, but shall ipso facto terminate this Phase Four Facilities Lease as to the Phase Four Facilities. This provision is operative notwithstanding any provisions of this Phase Four Facilities Lease to the contrary. The Board shall be considered in default hereunder if sufficient funds are lawfully appropriated for the payment of Rental required under this Phase Four Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation shall be entitled to the rights and remedies set forth in Sections 21 and 22 hereof.

Section 30. Exculpatory Provision. In the exercise of the powers of the Corporation and its trustees, officers, employees and agents under this Phase Four Facilities Lease and the Phase Four Indenture, the Corporation shall not be accountable or liable to the Board (i) for any actions taken or omitted by it or its officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Phase Four Facilities Lease against any officer, employee or agent of the Corporation in his or her personal capacity, all such liability, if any, being expressly waived by the Board by the execution of this Phase Four Facilities Lease. Nothing in this Phase Four Facilities Lease or the Phase Four Indenture is intended to require or obligate, nor shall anything herein or therein be interpreted to require or obligate, the Corporation for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Corporation other than the funds derived from the issuance of the Phase Four Bonds under the Phase Four Indenture and moneys derived pursuant to the Phase Four Indenture and this Phase Four Facilities Lease.

The Board specifically agrees to look solely to the Corporation's interest in the Phase Four Facilities and the Stadium Expansion for the recovery of any judgments from the Corporation. It is agreed that the Corporation will not be personally liable for any such judgments, or incur any pecuniary liability as a result of this Phase Four Facilities Lease to the Board, or the breach of its obligations hereunder. The Corporation's liability under this Phase Four Facilities Lease is "in rem" as to its interest in the Phase Four Facilities and the Stadium Expansion. The provisions contained in the preceding sentences are not intended to and will not limit any right that the Board might otherwise have to obtain injunctive relief against the Corporation or relief in any suit or action in connection with enforcement or collection of

amounts that may become owing or payable under or on account of insurance maintained by the Corporation.

Section 31. Amendments. This Phase Four Facilities Lease may be amended only as permitted in Article VIII of the Phase Four Agreement.

Section 32. Recording. The Corporation covenants and agrees that it will promptly record and from time to time re-record a memorandum in recordable form of this Phase Four Facilities Lease and the Phase Four Indenture and all supplements thereto and hereto in such manner and in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Phase Four Bonds.

Section 33. Construction Against Drafting Party. The Corporation and the Board acknowledge that each of them and their counsel have had an opportunity to review this Phase Four Facilities Lease and that each Party was responsible for the drafting thereof.

Section 34. Time of the Essence. Time is of the essence of each and every provision of this Phase Four Facilities Lease.

Section 35. No Waiver. The waiver by the Corporation of any agreement, condition, or provision contained in this Phase Four Facilities Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Phase Four Facilities Lease, nor will any custom or practice that may grow up between the parties in the administration of the terms of this Phase Four Facilities Lease be construed to waive or to lessen the right of the Corporation to insist upon the performance by the Board in strict accordance with the terms of this Phase Four Facilities Lease. The subsequent acceptance of Rental by the Corporation will not be deemed to be a waiver of any preceding breach by the Board of any agreement, condition, or provision of this Phase Four Facilities Lease, other than the failure of the Board to pay the particular Rental so accepted, regardless of the Corporation's knowledge of such preceding breach at the time of acceptance of such Rental.

Section 36. Survival. To the extent permitted by law and to the extent such will not constitute the incurrence of debt by the Board, all of the Corporation's remedies and rights of recovery under Sections 19 and 20 of this Phase Four Facilities Lease shall survive the Term and/or the purchase of the Phase Four Facilities by the Board under the Option.

Section 37. Counterparts. This Phase Four Facilities Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

Section 38. Estoppel Certificates. At any time and from time to time but within ten (10) days after prior written request by the Corporation, the Board will execute, acknowledge, and deliver to the Corporation, promptly upon request but only to the extent accurate, a certificate certifying (i) that this Phase Four Facilities Lease is unmodified and in full force and effect or, if there have been modifications, that this Phase Four Facilities Lease is in full force and effect, as modified, and stating the date and nature of each modification; (ii) the date, if any, to which Rental and other sums payable under this Phase Four Facilities Lease have been paid; (iii) that no Notice of any default has been delivered to the Corporation which default has not

Section 50. Notices. All notices, filings and other communications ("Notice") shall be in writing and shall be sufficiently given and served upon the other parties if delivered by hand directly to the persons at the addresses set forth below, or shall be sent by first class mail, postage prepaid, addressed as follows:

The Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

With copies at the same time to:

Seale & Ross
200 North Cate Street
Hammond, Louisiana 70404
Attention: T. Jay Seale

The Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Operations and Facilities

With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

Trustee:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Department
Facsimile: 904-645-1997
E-mail: robsmith@bankofny.com

With copies at the same time to:
MBIA Insurance Corporation
113 King Street
Armonk, NY 10504
Attention: Insured Portfolio Management

SECTION 4. The Facilities Lease is hereby amended to add the following provision:

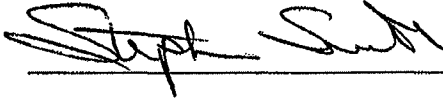
The Corporation and the Board agree that immediately upon the occurrence of an Event of Default under either Section 21 of the Facilities Lease or under Section 21 of Part II of the Facilities Lease, that this Facilities Lease, as amended, will be bifurcated and Sections 1 through 50 shall be treated as a wholly separate lease apart from Part II of the Facilities Lease which shall also be treated as a wholly separate lease between the parties. Further, the Corporation and the Board agree that upon such an Event of Default, the parties will execute all other documents necessary and appropriate to reflect and record such bifurcation of this Facilities Lease into two separate lease agreements.

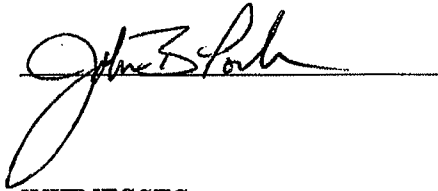
[Remainder of this page intentionally left blank]

[Signature page to Amendment to Facilities Lease]

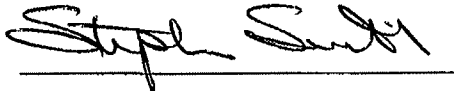
IN WITNESS WHEREOF, each of the Board, acting as governing authority of the University, and the Corporation has caused this First Amendment to Agreement to Lease with Option to Purchase to be executed by its respective officer, hereunto duly authorized on the day, month and year first above written, and the Bond Insurer has noted its consent and approval of this First Amendment to be noted by its respective officer, hereunto duly authorized, as set forth below.

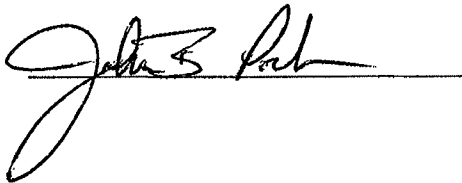
WITNESSES:



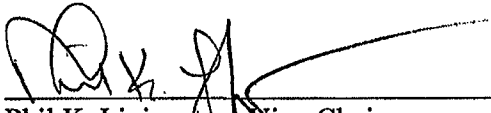


WITNESSES:



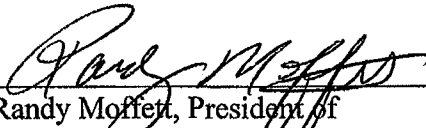


UNIVERSITY FACILITIES, INC.

By: 

Phil K. Livingston, Vice Chairperson

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

By: 

Randy Moffett, President of
Southeastern Louisiana University and
Authorized Board Representative

CONSENT and APPROVAL:

MBIA INSURANCE CORPORATION

By: _____
Name: _____
Title: _____
Date: _____

[Signature page to Amendment to Facilities Lease]

IN WITNESS WHEREOF, each of the Board, acting as governing authority of the University, and the Corporation has caused this First Amendment to Agreement to Lease with Option to Purchase to be executed by its respective officer, hereunto duly authorized on the day, month and year first above written, and the Bond Insurer has noted its consent and approval of this First Amendment to be noted by its respective officer, hereunto duly authorized, as set forth below.

UNIVERSITY FACILITIES, INC.

By: _____
Phil K. Livingston, Vice Chairperson

Attest:

By: _____
Title: Secretary-Treasurer

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

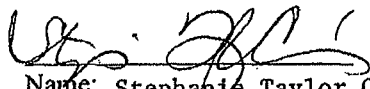
By: _____
Randy Moffett, President of
Southeastern Louisiana University and
Authorized Board Representative

Attest:

By: _____

CONSENT and APPROVAL:

MBIA INSURANCE CORPORATION

By: 
Name: Stephanie Taylor Ciavarello
Title: Assistant Secretary
Date: March 12, 2007

5e

EXECUTION COPY

AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.
(as Lessor)

and

**Board of Supervisors for the
University of Louisiana System,
on behalf of Southeastern Louisiana University**
(as Lessee)

Dated as of August 1, 2004

in connection with:

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University
Student Housing/University Facilities, Inc. Project)
Series 2004

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| Section 1. Definitions..... | 2 |
| Section 2. Agreement to Lease; Term of Lease..... | 10 |
| Section 3. Acknowledgments, Representations and Covenants of the Board | 11 |
| Section 4. Representations and Covenants of the Corporation..... | 13 |
| Section 5. Waiver and Disclaimer of Warranties..... | 14 |
| Section 6. Rental | 15 |
| Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service. | 18 |
| Section 8. Utilities..... | 19 |
| Section 9. Insurance. | 19 |
| Section 10. Condemnation, Casualty and Other Damage..... | 22 |
| Section 11. Application of Insurance Proceeds; Condemnation Award..... | 22 |
| Section 12. Encumbrances. | 23 |
| Section 13. Assignment and Sublease. | 24 |
| Section 14. Additions and Improvements Removal. | 24 |
| Section 15. Right of Entry. | 25 |
| Section 16. Mortgage Prohibition. | 25 |
| Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest. | 25 |
| Section 18. Quiet Enjoyment. | 26 |
| Section 19. Environmental Compliance and Indemnity. | 26 |
| Section 20. The Corporation's Reservation of Rights..... | 26 |
| Section 21. Default by the Board. | 27 |
| Section 22. Cumulative Remedies. | 28 |
| Section 23. Option to Purchase..... | 28 |
| Section 24. Severability. | 31 |
| Section 25. Redemption of Bonds. | 31 |
| Section 26. Additional Bonds. | 31 |
| Section 27. Execution. | 32 |
| Section 28. Law Governing. | 32 |
| Section 29. Nonappropriation of Funds..... | 32 |
| Section 30. Exculpatory Provision..... | 32 |
| Section 31. Amendments. | 33 |
| Section 32. Recording..... | 33 |
| Section 33. Construction Against Drafting Party. | 33 |
| Section 34. Time of the Essence. | 33 |
| Section 35. No Waiver..... | 33 |
| Section 36. Survival..... | 33 |
| Section 37. Counterparts..... | 33 |
| Section 38. Estoppel Certificates..... | 34 |
| Section 39. Waiver of Jury Trial..... | 34 |

| | | |
|-------------|------------------------------------|----|
| Section 40. | Written Amendment Required..... | 34 |
| Section 41. | Entire Agreement..... | 34 |
| Section 42. | Signs..... | 34 |
| Section 43. | Litigation Expenses..... | 34 |
| Section 44. | Brokers..... | 35 |
| Section 45. | No Easements for Air or Light..... | 35 |
| Section 46. | Binding Effect..... | 35 |
| Section 47. | Rules of Interpretation..... | 35 |
| Section 48. | Relationship of Parties..... | 35 |
| Section 49. | Law Between the Parties..... | 35 |
| Section 50. | Notices..... | 36 |

EXHIBIT A DESCRIPTION OF FACILITIES

AGREEMENT TO LEASE WITH OPTION TO PURCHASE

This AGREEMENT TO LEASE WITH OPTION TO PURCHASE (together with any amendment hereto or supplement hereof, the "Facilities Lease"), dated and effective as of August 1, 2004, is entered into by and between UNIVERSITY FACILITIES, INC., a Louisiana nonprofit corporation represented herein by its Vice Chairperson, Phil K. Livingston (the "Corporation"); and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "Board"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "University"), which Board is represented herein by Randy Moffett, President of the University, duly authorized.

WITNESSETH:

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S.17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Corporation;

WHEREAS, in order to further these functions of the Board, by demolition of certain existing facilities and renovation, development and construction of housing and related facilities for students, faculty and staff on the campus of the University (the "Campus"), the Board deems it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such housing and related facilities and leasing such housing facilities back to the Board; and

WHEREAS, the Board and the Corporation have agreed to enter into a lease dated of even date herewith (the "Ground Lease") whereby the Board will lease certain tracts of land owned by the Board and located on the Campus to the Corporation; and

WHEREAS, the Corporation and the Board have agreed that the Corporation shall demolish certain existing facilities and renovate, develop and construct housing and related facilities on the land leased under the Ground Lease which student housing and related facilities will be owned by the Board as constructed and leased to the Corporation pursuant to the Ground Lease; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of and as used in this Facilities Lease, have the meanings as set forth below. All other capitalized terms used herein without definition shall have the meanings as set forth in the Indenture (as hereinafter defined). Other terms shall have the meanings assigned to them in other Sections of this Facilities Lease.

"Additional Bonds" means bonds, if any, issued in one or more series on a parity with the Series 2004 Bonds pursuant to Article V of the Indenture.

"Additional Debt" means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Rents.

"Additional Facilities" means any additional student housing facilities owned or leased by the Board or the Corporation that have been incorporated with the Facilities into a single housing system pursuant to Section 3(i) hereof.

"Additional Rental" means the amounts specified as such in Section 6(c) of this Facilities Lease.

"Administrative Expenses" means the necessary, reasonable and direct out-of-pocket expenses incurred by the Issuer or the Trustee pursuant to the Indenture and the Agreement, the compensation of the Trustee under the Indenture (including, but not limited to any annual administrative fee charged by the Trustee), the compensation of the Issuer, any amounts due to the Bond Insurer under the Reimbursement Agreement and the necessary, reasonable and direct out-of-pocket expenses of the Trustee incurred by the Trustee in the performance of its duties under the Indenture.

"Agreement" means the Loan Agreement dated as of August 1, 2004 between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

"Annual Debt Service" means the amount required to pay all principal of and interest on a series of Bonds and any Additional Debt (as defined in the Facilities Lease), as applicable, in any Fiscal Year. For purposes of calculating the Annual Debt Service on a series of Bonds or Additional Debt the interest rate borne by which is not fixed to the maturity thereof on any date, for any period during which an interest swap or similar agreement shall be in effect whereunder the Corporation or the Board pays a fixed rate and the swap provider pays a floating rate that, in the judgment of the Authorized Corporation Representative (as evidenced by a certificate delivered to the Trustee) approximates the variable rate payable on such series of Bonds or Additional Debt, the interest rate on such series of Bonds or Additional Debt shall be deemed to be equal to the fixed rate payable by the Corporation or the Board under such interest swap or similar agreement and for

any period during which such an agreement shall not be in effect the interest rate on such Bonds or Additional Debt shall be deemed to be the average interest rate borne by such series of Bonds or Additional Debt during the immediately preceding twelve (12) month period or, if such series of Bonds or Additional Debt has borne a floating rate for less than twelve (12) months, such series of Bonds or Additional Debt shall be treated as if it bears interest at the 25-year Revenue Bond Index as published by *The Bond Buyer* on the date of determination.

"Authorized Corporation Representative" means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"Base Rental" means the amounts referred to as such in Section 6(b) of this Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms hereof) but does not include Additional Rental.

"Board" means Board of Supervisors for the University of Louisiana System, formerly known as the Board of Trustees for State Colleges and Universities, or its legal successor as the management board of the University, acting on behalf of the University.

"Board Representative" means the Person or Persons designated by the Board in writing to serve as the Board's representative(s) in exercising the Board's rights and performing the Board's obligations under this Facilities Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Assistant Vice President for Facilities Planning, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

"Bond Documents" shall have the meaning set forth in Section 3.12 of the Indenture.

"Bonds" means, collectively, the Series 2004 Bonds and any Additional Bonds issued pursuant to a supplemental Indenture as authorized hereby.

"Budget" means the University's budget as approved by the Board for any Fiscal Year during the Term.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Jacksonville, Florida, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§9601 et seq.).

"Claim" collectively means any claim, liability, demand, loss, damage, deficiency, litigation, cause of action, penalty, fine, judgment, defense, imposition, fee, lien, bonding cost, settlement, disbursement, penalty, cost or expenses of any and every kind and nature (including without limitation Litigation Expenses), whether known or unknown, incurred or potential, accrued, absolute, direct, indirect, contingent or otherwise and whether imposed by strict liability, negligence, or otherwise, and consequential, punitive and exemplary damage claims.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"Commencement Date" means the effective date of this Facilities Lease, which is August 13, 2004.

"Corporation" means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payments or provision for payment of all of the Bonds.

"Date of Opening" shall have the meaning set forth in the Ground Lease.

"Debt Service Coverage Ratio" means, collectively, the Debt Service Coverage Ratio for the Facilities and the Debt Service Coverage Ratio for the University.

"Debt Service Coverage Ratio for the Facilities" means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Net Revenues of the Facilities for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Debt issued and proposed to be issued for such Fiscal Year; provided, however, that for the purpose of calculating the Debt Service Coverage Ratio pursuant to subsection (ii) of Section 3(i) hereof, to determine whether the Board may build, acquire or renovate any Additional Facilities, the numerator of the fraction representing the Debt Service Coverage Ratio shall be increased by the additional anticipated revenues, if any, to be derived from the Additional Facilities to be constructed with the proceeds resulting from the Additional Debt as certified by the Vice-President for Administration and Finance of the University.

"Debt Service Coverage Ratio for the University" means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Lawfully Available Funds for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Debt issued and proposed to be issued for such Fiscal Year.

"Debt Service Fund" means the fund of that name created under of the Indenture.

"Debt Service Reserve Fund" means the fund of that name created under the Indenture.

"Debt Service Reserve Fund Requirement," (i) with respect to the Series 2004A Bonds, the Series 2004B Bonds and any Additional Bonds that are Tax-Exempt Bonds, at the time of determination, means the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes; and (ii) with respect to all Bonds issued under the Indenture, means the sum of the Debt Service Fund Reserve Requirements for each series of Bonds Outstanding; provided, however, that the amount of principal due in any Bond Year shall be determined, in the case of Bonds subject to mandatory sinking fund redemption pursuant to this Indenture and similar provisions in any supplemental indenture, by the principal amount of Bonds to be redeemed by mandatory sinking fund redemption in such Bond Year.

"Default or Delay Rental" means and shall consist of (i) all amounts, fees or expenses which the Corporation may be legally obligated to pay to Other Parties by reason of any default of the Board hereunder or any delay in payment of any sums due by the Board hereunder; and (ii) all costs, expenses and charges, including reasonable Legal Expenses, incurred by the Corporation whether by suit or otherwise, in collecting sums payable hereunder or in enforcing any covenant or agreement of the Board contained in this Facilities Lease or incurred in obtaining possession of the Facilities after default by the Board.

"Encumbrance" means any lien, mortgage, encumbrance, privilege, charge, option, right of first refusal, conditional sales contract, security interest, mechanic's and materialmen's liens, or any lien or encumbrance securing payment of any Claims, including environmental Claims, or of any charges for labor, materials, supplies, equipment, taxes, or utilities, excluding the Option granted to the Board herein.

"Environmental Requirements" means all State, federal, local, municipal, parish, and regional laws, statutes, rules, regulations, ordinances, codes, permits, approvals, plans, authorizations, concessions, investigation results, guidance documents; all legislative, judicial, and administrative judgments, decrees, orders, rules, rulings, and regulations; and all agreements and other restrictions and requirements in effect on or prior to the Commencement Date, of any Governmental Authority, including, without limitation, federal, state, and local authorities, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, or pollutants, and including without limitation the following environmental laws: The Clean Air Act (42 U.S.C.A. §1857); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901); CERCLA, as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601); the Clean Water Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §30); the Occupational Safety and Health Act (29 U.S.C. §651); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §135); the Louisiana Environmental Quality Act (La. R.S. 30:2001); and the Louisiana Air Quality Regulations (La.

C. 33:III.2595) including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

"Event of Default" means any default specified in and defined as such by Section 21 hereof.

"Expiration Date" means the earlier of August 1, 2044, or the date that all amounts owed under the Indenture have been paid.

"Facilities" means the student housing and related facilities described in **Exhibit A** to this Agreement, as amended and supplemented in accordance with the provisions of the Agreement, which are to be renovated and/or constructed in three (3) phases with the proceeds of the Bonds and Additional Bonds, and Southeastern Oaks and The Village.

"Facilities Lease" means this Agreement to Lease With Option to Purchase, including the Exhibits attached hereto, and any amendment or supplement hereto entered into from time to time in accordance with the terms hereof.

"Fiscal Year" means the fiscal year of the State, which at the date of this Facilities Lease is the period from July 1 to and including the following June 30.

"Fixed Rate" means the rate of interest fixed to the maturity of the Series 2004B Bonds and not subject to adjustment.

"Governmental Authority" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"Governmental Regulations" means any and all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation reports, guidelines, and requirements or accreditation standards of any Governmental Authority having jurisdiction over the Corporation and/or the Board, or affecting the Facilities.

"Ground Lease" means that certain Ground and Buildings Lease dated as of August 1, 2004 by and between the Board, as Lessor on behalf of the University, and the Corporation, as Lessee whereby the Land upon which certain existing facilities that are to be demolished are located and upon which the Facilities shall be constructed and/or renovated and the Facilities, as completed, are leased by the Board to the Corporation.

"Hazardous Substance" means (a) any "hazardous substance" as defined in §101(14) of CERCLA or any regulations promulgated thereunder; (b) petroleum and petroleum by-products; (c) asbestos or asbestos containing material ("ACM"); (d) polychlorinated biphenyls; (e) urea formaldehyde foam insulation; or (f) any additional substances or materials which at any time are classified, defined or considered to be explosive, corrosive, flammable, infectious, radioactive,

mutagenic, carcinogenic, pollutants, hazardous or toxic under any of the Environmental Requirements.

"Indenture" means the Trust Indenture dated as of August 1, 2004, between the Issuer and the Trustee, as it may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

"Interest Payment Date" or **"interest payment date,"** when used with respect to the Series 2004A Bonds, the Series 2004B Bonds that bear interest at a Fixed Rate and the Series 2004C Bonds, means each February 1 and August 1, commencing February 1, 2005, when used with respect to Auction Rate Bonds, means the Business Day following each Auction Date, and with respect to Variable Rate Bonds, means the dates set forth in the supplemental indenture executed in connection with the applicable Variable Rate Conversion.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"Land" means the real property more particularly described on Exhibit A attached to the Ground Lease upon which certain existing facilities are to be demolished and upon which the Facilities are to be renovated, constructed and located.

"Lawfully Available Funds" means all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, including Rents.

"Legal Expenses" means the reasonable fees and charges of attorneys and of legal assistants, paralegals, law clerks and other persons and entities used by attorneys and under attorney supervision and all costs incurred or advanced by any of them irrespective of whether incurred in or advanced prior to the initiation of any legal, equitable, arbitration, administrative, bankruptcy, trial or similar proceedings and any appeal from any of same.

"Litigation Expenses" means all out-of-pocket costs and expenses incurred as a result of a Default, or in connection with an indemnification obligation, including Legal Expenses, the reasonable fees and charges of experts and/or consultants, and all court costs and expenses.

"Management Agreement" means the Management Agreement dated as of July 1, 2004, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

"Management Company" means Capstone On-Campus Management, L.L.C., an Alabama limited liability company authorized to do business in Louisiana, and its successor under any Management Agreement.

"Management Fee" means the fee owed to the Management Company of the Facilities pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

"Maximum Annual Debt Service" with respect to a series of Bonds issued under the Indenture, means the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or subject to mandatory sinking fund redemption.

"Net Revenues of the Facilities" means, with respect to any period, the excess of the Rents (determined on a cash basis) over Operating Expenses (before extraordinary items) of the Facilities and any Additional Facilities, determined in accordance with generally accepted accounting principles, and excluding: (a) any profits or losses on the sale or disposition, not in the ordinary course of business, of investments or fixed or capital assets or resulting from the early extinguishment of debt; (b) gifts, grants, bequests, donations and contributions, to the extent specifically restricted by the donor to a particular purposes inconsistent with their use for the payment of Annual Debt Service on the Bonds or Additional Debt; and (c) the net proceeds of insurance (other than business interruption insurance) and condemnation awards.

"Notice" shall have the meaning set forth in Section 50 hereof.

"Operating Expenses" means the current expenses of operation, maintenance and current repair of the Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker's compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Issuer (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. "Operating Expenses" will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Facilities; or (4) amortization of financing costs.

"Option to Purchase" or "Option" means the option to purchase the Corporation's interest in the Facilities granted in Section 23 of this Facilities Lease.*

"Other Parties" means a Person other than the Parties.

"Parties" means, collectively, the Corporation and the Board.

"Permitted Sublessees" means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Facilities for a period of one (1) month or less pursuant to a concession or other housing arrangement with the University.

"Permitted Use" means the operation of the Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

"Person" means all juridical persons, whether corporate or natural, including individuals, firms, trusts, corporations, associations, joint ventures, partnerships, and limited liability companies or partnerships.

"Principal Payment Date" means each August 1, commencing August 1, 2006.

"Project Fund" means the fund of that name created under the Indenture.

"Receipts Fund" means the fund of that name created under the Indenture.

"Remediation" means any and all costs incurred due to any investigation of the Facilities or any remediation, response, cleanup, removal, or restoration required by any Governmental Regulation or Governmental Authority or by Environmental Requirements.

"Rental" means and includes the Base Rental and Additional Rental.

"Rents" means all revenues actually received from any source by, or on behalf the Board or the University with respect to the Facilities and any Additional Facilities, including without duplication, all collected rents and other charges for the use or occupancy of the Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants' security deposits unless and until applied in satisfaction of tenants' obligations as provided for in the Management Agreement and excluding refunds and reimbursements due to students in accordance with University policy.

"Replacement Fund" means the fund of that name created under the Indenture.

"Series 2004 Bonds" means, collectively, the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds.

"Series 2004A Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, initially bearing interest at the Fixed Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$60,985,000, including such Series 2004A Bonds issued in exchange for other such Series

2004A Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004A Bonds pursuant to the Indenture.

"Series 2004B Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B, initially bearing interest at the Auction Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$15,000,000, including such Series 2004B Bonds issued in exchange for other such Series 2004B Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004B Bonds pursuant to the Indenture.

"Series 2004C Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C, and authorized to be issued by the Issuer in the aggregate principal amount of \$925,000, including such Series 2004C Bonds issued in exchange for other such Series 2004C Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004C Bonds pursuant to the Indenture.

"State" means the State of Louisiana.

"Term" means the term of this Facilities Lease, as provided in Section 2 hereof.

"Trustee" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of this Indenture, initially The Bank of New York Trust Company, N.A.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

Section 2. Agreement to Lease; Term of Lease. The Corporation hereby leases the Facilities to the Board, and the Board hereby leases the Facilities from the Corporation effective as of the Commencement Date of this Facilities Lease and agrees upon completion of construction of the Facilities to accept possession of the Facilities and agrees to pay the Base Rental and the Additional Rental as provided herein for the use and occupancy of the Facilities, all on the terms and conditions set forth herein. The Board agrees that it will take immediate possession of the Facilities under the terms and provisions of this Facilities Lease upon the Date of Opening (as defined in the Ground Lease) of the Facilities. The Board understands and agrees that Rental shall accrue from the Commencement Date hereof notwithstanding the fact that the Facilities have yet to be constructed. No delay in the Date of Opening of the Facilities beyond the time set forth in the Ground Lease will extend the Term. The Term of this Facilities Lease begins on the Commencement Date and ends on the Expiration Date; provided, however, this Facilities Lease shall terminate prior to the Expiration Date upon the happening of any of the following events:

(a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture;

(b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation's interest in the Facilities pursuant to the Option; or

(c) any other event described in this Facilities Lease which is specifically stated to cause a termination of this Facilities Lease, including without limitation a Default by the Board, and the failure of the Board to appropriate or cause to be appropriated an amount necessary to pay the Base Rental, all as set forth in Sections 21 and 29 hereof.

Upon the termination of the Facilities Lease under the circumstances set forth in Section 2(a) above, at the Board's option, the Board may require the demolition of the Facilities as set forth in Section 12.02 of the Ground Lease.

Section 3. Acknowledgments, Representations and Covenants of the Board. The Board represents, covenants and agrees as follows:

(a) The Board has full power and authority to enter into this Facilities Lease, the Ground Lease, and the transactions contemplated thereby and agrees to perform all of its obligations hereunder and under the Ground Lease;

(b) The Board has been duly authorized to execute and deliver this Facilities Lease and the Ground Lease and further represents and covenants that this Facilities Lease and the Ground Lease constitute the valid and binding obligations of the Board and that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Facilities Lease and the Ground Lease and the Board has complied with all constitutional and other statutory requirements as may be applicable to the Board in the authorization, execution, delivery and performance of this Facilities Lease and the Ground Lease;

(c) The execution and delivery of this Facilities Lease and the Ground Lease, and compliance with the provisions hereof, will not conflict with or constitute on the part of the Board a violation of, breach of, or default under any constitutional provision, statute, law, resolution, bond indenture or other financing agreement or any other agreement or instrument to which the Board is a party or by which the Board is bound, or any order, rule or regulation of any court or Governmental Authority or body having jurisdiction over the Board or any of its activities or properties with respect to the Facilities; and all consents, approvals or authorizations required of the Board for the consummation of the transactions contemplated hereby have been obtained or timely will be obtained;

(d) Other than that which was previously disclosed, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Board, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease and the Ground Lease;

(e) The Board will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Series 2004A Bonds and the Series 2004B Bonds to be included in gross income for federal income tax purposes;

(f) The Board agrees to cause the Facilities to be used for the Permitted Use and shall not allow the Facilities to be used for any other use. No more than five percent (5%) of the gross area of the Facilities will be subleased by the Board or by any sublessees or assigns of the Board to, or otherwise used by, private business and the Board agrees to take all action, to the extent it is legally authorized and able to do so, necessary to prevent the Bonds from being deemed "private activity bonds" within the meaning of Section 141 of the Code; and

(g) The use of the Facilities is essential to the operation of the University by providing modern housing and related facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Lawfully Available Funds for use of the Facilities. There are no alternative facilities available for use as contemplated for the Facilities since there is currently a shortage of available, modern on-campus housing at the University.

(h) The Board covenants that, as long as any bonds, notes or lease obligations remain outstanding that are payable from Lawfully Available Funds, if the Debt Service Coverage Ratio for the Facilities falls below 1.10:1.00 or the Debt Service Coverage Ratio for the University falls below 1.25:1.0, the Board shall use its best efforts to raise its fees, rentals, rates and charges relating to the Facilities so that within two (2) full semesters after either of the Debt Service Coverage Ratios becomes deficient, the Debt Service Coverage Ratio for the Facilities equals 1.10:1.00 and the Debt Service Coverage Ratio for the University equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Facilities is still below 1.10:1.00 or the Debt Service Coverage Ratio for the University is still below 1.25:1.0, the Board shall hire an outside consultant, approved by the Bond Insurer, and the Board shall follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Facilities, including raising fees and rents, reducing expenses and, if necessary, increasing the average occupancy rate through strict enforcement of parietal rules requiring students to reside on campus and, to the extent legally possible, revising parietal rules to increase the number of students required to reside on campus. So long as the Board is working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio, there shall not be an Event of Default hereunder unless (i) the Debt Service Coverage Ratio for the Facilities is less than 1.00:1.00 at the end of any Fiscal Year or (ii) the Debt Service Coverage Ratio for the Facilities is less than 1.10 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees, rentals, rates and charges and calculating each Debt Service Coverage Ratio for this Section, the Board shall take into account payments required to be made into the Debt Service Reserve Fund pursuant to Section 4.8(h) of the Indenture. The Board further covenants that it will seek any required approval necessary in order to comply with this covenant.

(i) Without the prior written consent of the Bond Insurer, the University will not build, acquire or renovate any similar student housing facilities, whether such facilities are

owned by the University or a private entity, unless (i) the Facilities have met the Debt Service Coverage Ratio for the Facilities for the prior Fiscal Year, (ii) the Facilities are projected to meet the Debt Service Coverage Ratio for the Facilities for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in student or multi-family housing, which is independent from the University, the University's proposed project is not expected to have a material adverse affect on the Facilities. Notwithstanding the foregoing, it is understood that with respect to Phase Three of the Facilities anticipated to be financed with Additional Bonds issued under the Indenture, the foregoing tests do not have to be met, provided that the construction of Phase Three of the Facilities does not increase the total number of on-campus housing beds available to the University. Such additional student housing facilities owned or leased by the Board or the Corporation shall be incorporated with the Facilities into a single housing system so that such additional student housing facilities and all revenues derived therefrom shall secure the Bonds, and the Facilities and the revenues derived therefrom, including all revenues derived from the Facilities Lease, will secure any debt incurred to finance such additional student housing facilities. In addition, the Mortgage (as defined in the Indenture) shall be amended to encumber any such Additional Facilities and any revenues derived therefrom to secure the Bonds and any debt incurred to finance such Additional Facilities.

(j) The University shall maintain its policy of requiring all unmarried, full-time undergraduate students with less than 60 credit hours to live in on-campus residence halls. It is understood that the University currently permits certain exceptions to that policy and, except as set forth in Section 4(h) above, the University may continue to permit those exceptions but it shall make no voluntary revisions to such policy that would reduce the number of students required to live in on-campus residence halls (including, without limitation, reducing the number of credit hours to less than 60, increasing the course-load required for status as a "full-time" student or modifying any existing exemptions from the policy), until the Bonds have been paid in full or the Bond Insurer consents in writing to a change in such policy.

(k) The University shall actively promote the Facilities as a housing alternative and an integral part of the housing system of the University. The University shall, among other things, provide housing brochures to prospective students and allow signs to be posted to promote the Facilities.

Section 4. Representations and Covenants of the Corporation.The Corporation makes the following representations and covenants:

(a) The Corporation has been validly created under the Louisiana Nonprofit Corporation Law, is currently in good standing under the laws of the State, has the power to enter into the transactions contemplated by, and to carry out its obligations under this Facilities Lease, the Ground Lease and the Agreement. The Corporation is not in breach of or in default under any of the provisions contained in any contract, instrument or agreement to which it is a party or in any other instrument by which it is bound. By proper action, the Corporation has been duly authorized to execute and deliver this Facilities Lease, the Ground Lease and the Agreement;

(b) The execution and delivery of this Facilities Lease, the Ground Lease and the Agreement, and compliance with the provisions thereof and hereof, will not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under any statute, indenture, mortgage, declaration or deed of trust, loan agreement or other agreement or instrument to which the Corporation is a party or by which the Corporation is bound or any order, rule or regulation of any court or Governmental Agency or body having jurisdiction over the Corporation or any of its activities or properties; and all consents, approvals and authorizations which are required of the Corporation for the consummation of the transactions contemplated thereby and hereby have been or timely will be obtained;

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease, the Ground Lease or any agreement or instrument to which the Corporation is a party;

(d) The Corporation will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Series 2004A Bonds and the Series 2004B Bonds to be included in gross income for federal income tax purposes.

Section 5. Waiver and Disclaimer of Warranties. The Board acknowledges that the Corporation has not made any representations or warranties as to the suitability or fitness of the Facilities for the needs and purposes of the Board or for any other purpose.

The Board further declares and acknowledges that the Corporation in connection with this Facilities Lease, does not warrant that the Facilities will be upon completion of construction free from redhibitory or latent defects or vices and releases the Corporation of any liability for redhibitory or latent defects or vices under Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695. The Board declares and acknowledges that it does hereby waive the warranty of fitness for intended purposes and guarantee against hidden or latent redhibitory defects and vices under Louisiana law, including Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695, and the warranty imposed by Louisiana Civil Code Articles 2476 and 2695, and waives all rights in redhibition pursuant to Louisiana Civil Code Articles 2520, et seq. The Board further declares and acknowledges that this waiver has been brought to the attention of the Board and explained in detail and that the Board has voluntarily and knowingly consented to this waiver of warranty of fitness and/or warranty against redhibitory defects and vices for the Facilities. Notwithstanding the foregoing, the Board hereby retains all of its rights to proceed against any third parties with respect to such defects.

The Corporation disclaims and the Board waives any warranties and representations with respect to compliance with Governmental Regulations, including Environmental Requirements, or the disposal of, or existence in, on, under, or about the Facilities of any Hazardous Substance. The Board acknowledges that the Corporation reserves in this Facilities Lease all rights to recover from the Board all costs and expenses imposed on the Corporation to bring the Facilities into compliance with any Environmental Requirement, and all costs of Remediation or cleanup

of such Hazardous Substance imposed on the Corporation or the Board, which shall be payable by the Board as Additional Rental hereunder to the extent imposed upon the Corporation.

Section 6. Rental

(a) The Board, for and in consideration of the Corporation entering into the Ground Lease, renovating and/or constructing the Facilities in accordance with the Ground Lease and leasing the Facilities to the Board pursuant to the terms hereof, hereby covenants and agrees to pay the Base Rental and Additional Rental in the amounts, subject to amounts for which the Board is entitled to a credit as described in Section 6(d) hereof, at the times and in the manner set forth herein, such amounts constituting in the aggregate the total of the rental payable under this Facilities Lease. The obligation of the Board to make Base Rental and Additional Rental payments shall commence on the Commencement Date and shall not be subject to abatement, set-off or reduction as a result of a failure by the Corporation to complete construction of the Facilities on a timely basis.

(b) The Board agrees to pay Base Rental from Lawfully Available Funds. Payments of Base Rental shall be due on the dates and in the amounts as hereinafter provided:

(i) With respect to the Series 2004A Bonds, the Series 2004B Bonds that bear interest at a Fixed Rate and the Series 2004C Bonds, on the twenty-fifth (25th) day of each month, commencing August 25, 2004, in an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004 Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Series 2004 Bonds on such Interest Payment Date; and

(ii) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing August 18, 2004, in an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Series 2004 Bonds on such Interest Payment Date;

(iii) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Series 2004 Bonds on such Interest Payment Date;

(iv) On the twenty-fifth (25th) day of each month, commencing August 25, 2005, in an amount equal to one-twelfth (1/12th) of the principal of the Series 2004 Bonds payable on the next Principal Payment Date;

(v) On the dates required in the Indenture, to the Trustee for deposit into any of the funds established in the Indenture, including, without limitation, the Debt Service Reserve Fund and the Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture.

(c) In addition to the Base Rental set forth herein, the Board agrees to pay as Additional Rental any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation on behalf of the Board and/or by the Board or the University in the management, operation, ownership, and/or maintenance of the Facilities, to the extent such expenses are not paid by the Management Company under any Management Contract, including but not limited to the following costs and expenses:

(i) all taxes, assessments and impositions against the Facilities, including without limitation ad valorem taxes attributed to the Corporation on behalf of the Board (and any tax levied in whole or in part in lieu of or in addition to ad valorem taxes);

(ii) any costs incurred by the Corporation in maintaining the Facilities for the Board and making any alterations, restorations and replacements to the Facilities;

(iii) insurance premiums and other charges for insurance obtained with respect to the Facilities including insurance premiums, if any, on all insurance required under the provisions of Section 9 of this Facilities Lease;

(iv) any Default or Delay Rentals;

(v) all costs incurred by the Corporation in connection with its performance of its obligations relating to the Facilities and/or the Land under the Ground Lease and this Facilities Lease;

(vi) all Administrative Expenses owed to the Issuer or the Trustee;

(vii) Litigation Expenses, if any, incurred pursuant to Section 43 hereof;

(viii) any reimbursement amounts payable pursuant to Section 20 hereof or pursuant to any other provision hereof; and

(ix) any other costs, charges, and expenses commonly regarded as ownership, management, maintenance, and operating expenses, if any, incurred by the Corporation under this Facilities Lease.

Amounts constituting Additional Rental payable hereunder shall be paid by the Board directly to the person or persons to whom such amounts shall be due. The Board shall pay all such amounts when due or within thirty (30) days after notice in writing from the Corporation, the

Management Company, or the Trustee to the Board stating the amount of the Additional Rental then due and the purpose thereof.

(d) The Board shall be entitled to a credit against and reduction of each Base Rental payment in an amount equal to any amounts derived from the following sources:

(i) Accrued interest derived from the sale of the Bonds;

(ii) Any capitalization of interest from the proceeds of the Bonds contained in the Capitalized Interest Fund under the Indenture;

(iii) the Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement.

(iv) Surplus moneys (including investment earnings) contained in the funds and accounts held by the Trustee under the Indenture, including the Debt Service Fund, the Debt Service Reserve Fund and the Replacement Fund;

(e) Notwithstanding any other provision of the Facilities Lease, the obligation of the Board to make payments under this Facilities Lease, including payments of Base Rental and Additional Rental, shall be subject to, and dependent upon, appropriation of Legally Available Funds necessary to make the payments required under this Facilities Lease. The Vice President for Finance and Administration of the Board shall cause the University to include in the Budget and, if necessary, any amendments to the Budget, an amount of Lawfully Available Funds sufficient to make the payments of Base Rental and Additional Rental described herein which amounts may or may not ultimately be appropriated by the Board for such purpose. Subject to the foregoing and Section 29 hereof, the obligations of the Board to make payments pursuant to this Facilities Lease, and to perform and observe the other agreements and covenants on its part contained herein, shall be absolute and unconditional and shall not be subject to any diminution, abatement, set-off, or counterclaim. Subject to the foregoing and Section 29 hereof, until such time as the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with this Facilities Lease, the Board shall not suspend or discontinue payment of Rental or any other payments pursuant to this Facilities Lease for any cause, and shall continue to perform and observe all of its agreements contained in this Facilities Lease. The Corporation and the Board acknowledge and agree that the obligation of the Board to pay Rental shall constitute a current expense of the Board payable by the Board from funds budgeted and appropriated in accordance with law for and in consideration of the right to use the Facilities during the Term and that such obligation shall not in any manner be construed to be a debt of the Board in contravention of any constitutional or statutory limitations or requirements concerning indebtedness of the Board and nothing contained herein shall constitute a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

(f) The payments of Base Rental and Additional Rental under this Facilities Lease for each Fiscal Year or portion thereof during the Term shall constitute the total Rental for such Fiscal Year or portion thereof and shall be paid by the Board for and in consideration of the

construction by the Corporation of the Facilities and the right to the use and occupancy of the Facilities by the Board for and during such Fiscal Year or portion thereof.

(g) Amounts necessary to pay each Base Rental payment shall be deposited by the Board on the dates set forth in Section 6(b) hereof in lawful money of the United States of America at the office of the Trustee or at such other place or places as may be established by the Corporation and/or Trustee in accordance with the Indenture. Any amount necessary to pay any Base Rental payment or portion thereof which is not so deposited shall remain due and payable until received by the Trustee. Notwithstanding any dispute between the Board and the Corporation hereunder, the Board shall make all Rental payments when due and shall not withhold payment of any Rental pending the final resolution of such dispute or for any other reason whatsoever.

(h) This Facilities Lease is intended to be a triple net lease. The Board agrees that the Rental provided for herein shall be an absolute net return to the Corporation free and clear of any expenses, charges, taxes, abatements, counterclaims, reductions or set-offs whatsoever of any kind, character or nature; it being understood and agreed to by the Board that the Board shall bear responsibility for the payment of all costs and expenses associated with the ownership, management, operation, and maintenance of the Facilities. Under no circumstances will the Corporation be required to make any payment on the Board's behalf or for the Board's benefit under this Facilities Lease, or assume any monetary obligation of the Board under this Facilities Lease, or with respect to the Facilities.

Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service.

(a) The University, at the direction of the Board, shall be responsible for ensuring that all services necessary or required in order to adequately operate the Facilities in accordance with the Permitted Use are provided and maintained. The University shall continuously operate or cause to be operated the Facilities from the Date of Opening and continuing for the remainder of the Term for the Permitted Use, and in accordance with all Governmental Regulations. Pursuant to the Management Agreement, the Corporation as approved by the Board, will initially contract with the Management Company to provide operations and management services for the Facilities. The University and the Board consent to the Corporation's initial acquisition of operations and management services from the Management Company. All Rents collected by the Management Company under the Management Agreement shall be deposited in an operating account and transferred daily to the Trustee in accordance with the Indenture.

(b) The University, at the direction of the Board, shall be responsible for maintaining the Facilities and shall make or contract or cause to be made or contracted with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Facilities, including without limitation the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, and foundations, fixtures, equipment, and appurtenances to the Facilities as and when needed to preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are at

the fault of the Board, the Corporation or some Other Party. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class presently located in the Facilities.

(c) The University, at the direction of the Board, shall have the right during the Term to cause the Corporation or some other Party to make or construct any additions or improvements to the Facilities, alter the Facilities, attach fixtures, structures, or signs to or on the Facilities, and affix personal property to the Facilities without the Corporation's prior written consent to the extent allowed under the terms of any insurance covering the Facilities. All such alterations, improvements, additions, attachments, repairs, restorations, and replacements of all or any portion of the Facilities shall (i) be at the sole cost and expense of the University; (ii) not reduce the then fair market value of the Facilities; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations.

(d) The University, at the direction of the Board, shall provide or cause to be provided all security service, custodial service, janitorial service, trash disposal, and all other services necessary for the proper upkeep and maintenance of the Facilities as required herein. The Board acknowledges that the Corporation has made no representation or warranty with respect to systems and/or procedures for the security of the Facilities, any persons occupying, using or entering the Facilities, or any equipment, furnishings, or contents of the Facilities. It is the sole responsibility of the Board, through the University to cause to be provided or to provide for the security of persons on or entering the Facilities and/or property located at the Facilities, in accordance with reasonable and prudent business practices.

Section 8. Utilities. All utilities which are used or consumed in or upon or in connection with the Facilities during the Term, including, without limitation water, gas, electricity, sewerage, garbage, or trash removal, light, cable, heat, telephone, power, computer data and other utilities necessary for the operation of the Facilities ("Utility Service") shall be the responsibility of the Board and/or the students, faculty, staff or Permitted Sublessees residing in the Facilities. Payments for Utility Services provided to the entire Facilities or to the common areas of the Facilities under such contract or contracts therefor as the Board may make shall be made by the Board directly to the respective utility companies furnishing such Utility Services.

The Corporation shall have no responsibility to the Board for the quality or availability of Utility Service to the Facilities, or for the cost to procure Utility Service. The Corporation shall not be in Default under this Facilities Lease or be liable to the Board or any other Person for direct or consequential damage, or otherwise, for any failure in supply of any Utility Service, heat, air conditioning, elevator service, cleaning service, lighting, security, or for surges or interruptions of electricity.

Section 9. Insurance.

(a) The University, at the direction of the Board, shall cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Facilities against loss or damage by fire, lightening, earthquake, collapse, vandalism and malicious mischief, flood

and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance shall be not less than the full replacement cost of the Facilities, without deduction for depreciation. In the event that the Facilities are not repaired or replaced, insurance proceeds shall be no greater than the actual cash value (replacement cost less depreciation) of the Facilities at the time of the loss. The policy shall be adjusted to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the Corporation in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(v) A policy of rental interruption insurance in the amount of at least one (1) year's rental in the event of loss of or damage to the Facilities.

(b) The Corporation shall:

(i) cause to be secured and maintained a policy of title insurance insuring the Corporation's leasehold interest under the Ground Lease in an amount equal to the par amount of the Bonds; and

(ii) cause all of the construction professionals to secure and maintain:

(A) Comprehensive or Commercial General Liability insurance;

(B) Errors and Omissions insurance;

- (C) Automobile Liability insurance;
- (D) Worker's Compensation insurance;
- (E) an all Risk Builder's Policy upon the construction on the Property;
and
- (F) boiler and machinery or additional property insurance;

all as required by the terms of any construction contracts entered into with regards to the demolition of certain existing facilities and the renovation, development and construction of the Facilities.

All insurance required in this Section and all renewals of such insurance (excepting self insurance or commercial insurance, through ORM) shall be issued by commercial insurers authorized to transact business in the State, and rated at least A- by Best's Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody's. All insurance policies provided or caused to be provided by the Corporation shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to the University and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the Corporation or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University is obligated to maintain according to this Facilities Lease (other than any policy of worker's compensation insurance) will name the Corporation, the Trustee and such other Persons or firms as the University may be required to name from time to time as additional insureds and shall expressly provide that the policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Corporation and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the University or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University shall be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured with respect to destruction of or damage to any portion of the Facilities by fire, earthquake or other casualty or event shall be paid to the Trustee (or, in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of Section 11 of this Facilities Lease and the Indenture.

The Corporation shall certify annually to the Bond Insurer that all insurance policies required by this Section 9 are as of the date of such certification in place and in effect.

Section 10. Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively "Expropriation") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

Section 11. Application of Insurance Proceeds; Condemnation Award. (a) If during construction, all or any portion of the Facilities is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Facilities by the Board on behalf of the Corporation, the Board shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in trust (or in the case of self insurance through ORM, as set forth in paragraph (b) below), and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee in accordance with the terms of the Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore or replace the Facilities, the proceeds shall be paid to the Board for immediate delivery to Trustee and used to redeem the Outstanding Bonds.

Notwithstanding the foregoing, the Corporation's obligation to replace the Facilities in the event of Expropriation Proceedings is dependent on the Board entering into a lease with a

different portion of the Campus as provided in Section 13.03 of the Ground Lease. In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities, the Corporation and the Board agree to amend or enter into a new Facilities Lease and Ground Lease in accordance with Sections 13.03 of the Ground Lease. In the event the Board, pursuant to the Ground Lease, decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Bonds in accordance with the terms of the Indenture, and this Facilities Lease and the Ground Lease shall terminate on the date that the events described in Section 2 (a) or 2 (b) hereof have occurred.

(b) In the event that ORM insures the Facilities, the Board shall use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 12. Encumbrances.

(a) **Payment by the Board.** The Board shall pay or cause to be paid all costs and charges for alterations, improvements, additions, repairs and maintenance ("Work") (i) done by the Board or caused to be done by the Board in or to the Facilities, and (ii) for all materials furnished for or in connection with such Work. The Corporation reserves all rights to collect for any loss or damage sustained or incurred by the Corporation resulting from any and all Encumbrances, demands or liabilities arising on account of the Work, which shall be payable by the Board as Additional Rent hereunder.

(b) **Failure to Discharge.** If the Board fails to pay any charge for which an Encumbrance has been filed, and the Facilities or any portion thereof is placed in imminent danger of being seized, the Corporation may, but shall not be obligated to, pay such charge and related costs and interest, and the amount so paid, together with reasonable Legal Expenses incurred in connection with such Encumbrance, will be immediately due from the Board to the Corporation as Additional Rental. Nothing contained in this Facilities Lease will be deemed the consent or agreement of the Corporation to subject the Corporation's interest in the Facilities to liability under any Encumbrance, or any mechanics', materialman's or other lien law. If the Board receives written notice that an Encumbrance has been or is about to be filed against the Facilities, or that any action affecting title to the Facilities has been commenced on account of Work done by or for the Board or for materials furnished to or for the Board, it shall immediately give the Corporation Notice of such notice.

(c) **Notice of Work.** At least fifteen (15) days prior to the commencement of any Work in or to the Facilities, by or for the University, the University shall give the Corporation Notice of the proposed Work and the names and addresses of the Persons supplying labor and materials for the proposed Work. The Corporation will have the right to post notices of

nonresponsibility or similar written notices on the Facilities in order to protect the Facilities against any such claimants.

Section 13. Assignment and Sublease. (a) Neither this Facilities Lease nor any interest of the Board in the Facilities shall be mortgaged, pledged, assigned or transferred by the Board by voluntary act or by operation of law, or otherwise; provided, however, the Board may sublease all or any portion of the Facilities, or grant concessions involving the use of all or any portion of the Facilities, whether such concessions purport to convey a leasehold interest or a license to use all or a portion of the Facilities to any University student, faculty, staff or Permitted Sublessee. No such concession, leasehold interest or license to use the Facilities shall be granted to any University students, faculty or staff for a term of more than one (1) year, or to any Permitted Sublessee for a term of more than one (1) month. The Board shall, however, at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Facilities Lease (including, without limitation, the payment of Base Rental and Additional Rental), notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the Board from its obligations to pay Base Rental and Additional Rental as provided in this Facilities Lease or to relieve the Board from any other obligations contained herein. Other than subleases to University students, faculty, staff and Permitted Sublessees, in no event will the Board sublease or permit the use of all or any part of the Facilities to any person without an opinion of Bond Counsel that such will not cause interest on the Bonds to be included in the gross income of the owners of the Series 2004A Bonds and the Series 2004B Bonds for federal income tax purposes.

(b) The Corporation shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Facilities Lease, including without limitation its right to receive Base Rental payable hereunder, to the Issuer pursuant to the Agreement, and the Issuer will in turn assign its rights under this Facilities Lease to the Trustee pursuant to the Indenture. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith. Anything required or permitted to be done by the Corporation under this Facilities Lease may be done by the Trustee under the Indenture.

(c) Except as set forth in Section 13(b) hereof, the Corporation shall not sell or assign its interest in the Facility or this Facilities Lease without the prior written consent of the Board.

Section 14. Additions and Improvements Removal. At the expiration of the Term, or termination of this Facilities Lease, all alterations, fixtures, improvements and additions made by the Board or the University and all equipment placed upon the Facilities that are incorporated into or made into component parts of the Facilities, as well as, title to all property, furniture, equipment, fixtures, and other property installed at or placed upon the Facilities by the Board which is not incorporated into or made a component part of the Facilities remain the property of the Board.

The Board hereby agrees to replace such property from time to time as such property becomes worn out, obsolete, inadequate, unsuitable or undesirable. The Board may add to or remove such property from time to time, and upon expiration of the Term, provided that the Board repairs any damage to the Facilities caused by such removal.

Section 15. Right of Entry. Representatives of the Corporation and the Bond Insurer shall, subject to reasonable security precautions, and upon giving the Board not less than twenty-four (24) hours advance Notice, have the right to enter upon the Facilities during reasonable business hours (and in emergencies without notice and at all times) accompanied by a Board Representative (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Corporation under this Facilities Lease, or (iii) for all other lawful purposes. Any right of access to any portion of the Facilities leased to the students, faculty, staff or Permitted Sublessees shall be subject to their rights pursuant to their rental agreements and University policy.

Section 16. Mortgage Prohibition. Except as set forth in the Indenture, the Ground Lease and the Agreement, the Corporation shall not be entitled to mortgage or grant a security interest in the Facilities.

Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest. If a person other than the Corporation shall succeed to the rights of the Corporation hereunder (in any case with the prior written consent of the Board as required hereby), upon the declaration of the successor to the Corporation's interest in this Facilities Lease, the Board agrees to fully attorn to and recognize any such successor as the Board's landlord under this Facilities Lease upon the then existing terms of this Facilities Lease, provided that such successor shall agree in writing to accept the Board's attornment and not to disturb the Board's possession so long as the Board shall observe the provisions and all covenants of this Facilities Lease. This attornment provision shall inure to the benefit of any such successor and shall be self-operative upon the election and declaration by such successor, and no further instrument shall be required to give effect to the provisions. However, the Board agrees to evidence and confirm the foregoing attornment provisions by the execution and delivery of instruments in recordable form satisfactory to such successor.

If the Facilities, or any part thereof, shall be sold or otherwise transferred by sale, assignment, transfer or other contract, or by operation of law or otherwise (with the prior written consent of the Board as required hereby and with an opinion of Bond Counsel that such action will not cause interest on the Series 2004A Bonds or the Series 2004B Bonds to be included in the gross income of the owner of the Series 2004A Bonds and the Series 2004B Bonds for federal tax purposes), and if such written consent specifically so provides, the Corporation shall be automatically and entirely released and discharged to the extent of the interest in or the portion of the Facilities sold, assigned or transferred from and after the effective date of such sale, assignment or transfer of all liability for the performance of any of the covenants of this Facilities Lease on the part of the Corporation thereafter to be performed. The purchaser or other transferee of the Facilities shall be deemed to have agreed to perform such covenants of the Corporation from and after the date of such assignment or sale during such transferee's period of ownership of the Corporation's interest under this Facilities Lease, all without further agreement between the Corporation, its successor and the Board. The Corporation's transferee shall not be held responsible for the performance of any of the covenants of this Facilities Lease on the part of the Corporation required to be performed prior to such sale and transfer, the Board reserving its rights against the Corporation for any unperformed covenants prior to such sale or transfer.

Section 18. Quiet Enjoyment. The Corporation covenants that the Board, on paying the Rental and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Board or the University, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Facilities during the Term and may exercise all of its rights hereunder; and the Corporation agrees to warrant and forever defend the Board's right to such occupancy, use, and enjoyment and the title to the Facilities against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Facilities Lease.

Section 19. Environmental Compliance and Indemnity.

(a) **Environmental Compliance.** The Board or the University shall operate or cause to be operated the Facilities in compliance with all Environmental Requirements continuously during the Term, and for such periods of time prior to the Commencement Date and after the Expiration Date, as long as the Board is in possession of the Facilities, in whole or in part. The Board shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Facilities or the Land, except for such Hazardous Substance as is necessary or useful to the operation of the Facilities.

(b) **The Board's Liability.** If the Board fails to comply with any of the foregoing warranties, representations, and covenants, and removal or Remediation of any Hazardous Substance found on the Facilities is required by Environmental Requirements or Governmental Authority, the Board shall promptly undertake the removal or Remediation of such Hazardous Substance, at the Board's sole cost and expense. In the event the Board fails or refuses to undertake such removal or Remedial actions, the Corporation may cause the removal or Remediation (or other cleanup reasonable acceptable to the Corporation) of any such Hazardous Substance from the Land or the Facilities. The reasonable costs of removal, Remediation, or any other cleanup (including transportation and storage costs) will be considered as Additional Rental under this Facilities Lease, whether or not a court has ordered the cleanup, and those costs will become due and payable within ninety (90) days of written demand by the Corporation. In connection therewith, the Board will give the Corporation, its agents, and employees access to the Facilities to remove, remediate, or otherwise clean up any Hazardous Substance. The Corporation, however, has no affirmative obligation to remove, remediate, or otherwise clean up any Hazardous Substance, and this Facilities Lease will not be construed as creating any such obligation. The Board hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of any Hazardous Substance located in or about the Facilities by the Board.

Section 20. The Corporation's Reservation of Rights.

(a) The Corporation hereby reserves all of its rights to recover from the Board for any and all Claims asserted against the Corporation, including Litigation Expenses arising out of or by reason of:

(i) any injury to or death of any person or damage to property occurring on or about the Facilities occasioned by or growing out of or arising or resulting from any tortious or

negligent act on the part of the Board in connection with the operation and management of the Facilities; or

(ii) any failure, breach, or default on the part of the Board in the performance of or compliance with any of the obligations of the Board under the terms of this Facilities Lease.

(b) Notwithstanding the fact that it is the intention of the parties that the Corporation shall not incur any pecuniary liability by reason of the terms of this Facilities Lease or the undertakings required of the Corporation hereunder, nevertheless, if the Corporation should incur any such pecuniary liability, then in that event, the Corporation shall be entitled to assert all rights and remedies granted in law or in equity to recover from the Board the amount of any pecuniary liability incurred by the Corporation, plus all Litigation Expenses incurred in defense of such liability to the extent subject to indemnification pursuant to Subsection (a) above.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Corporation contained in this Facilities Lease or any Claim based thereon against the Corporation or of any successor thereto or member thereof, either directly or through the Corporation whether by virtue of any constitutional provision, statute, or rule of law. This Facilities Lease and the obligations of the Corporation hereunder, and any Claim asserted against the Corporation are solely corporate obligations, and the enforcement of any obligation or Claim shall be limited solely to the Corporation's interest in the Facilities. No personal liability shall attach to, or be incurred by, any officer, director, agent, employee or member of the Corporation and the Board acknowledges that all personal liability of any character against every such officer, director, agent, employee or member by the execution of this Facilities Lease, is expressly waived and released. The immunity of any officer, director, agent, employee or member of the Corporation under the provisions contained in this Section 20 shall survive any acquisition of the Facilities by the Board and the expiration or other termination of this Facilities Lease.

Section 21. Default by the Board. If (i) the Board shall fail to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to Section 6 hereof by the close of business on the day such deposit is required pursuant to Section 6 hereof, and shall fail to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under this Lease (other than the payment of Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants or conditions herein, and shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or such longer period as the Trustee may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board shall be deemed to be in default hereunder, and the Corporation shall have the right, at its option, without any further demand or notice to terminate this Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board, in which case the Board's right to possession of the Facilities will cease and this Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing

for the period up to the time the Corporation regains possession (which have been approved for payment under this Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board which survive termination of this Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Facilities and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry shall be allowed by the Board without hindrance, and the Corporation shall not be liable in damages for any such re-entry or be guilty of trespass. The Corporation understands and agrees that upon its termination of the Board's right to possession of the Facilities or termination of this Facilities Lease, the Corporation upon its re-entry of the Facilities shall only be allowed to use the Facilities for the Permitted Use and shall be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Facilities.

Notwithstanding any other provision of this Facilities Lease, (i) in no event shall the Corporation have the right to accelerate the payment of any Base Rental payment hereunder and (ii) the Bond Insurer shall have ninety (90) days to cure an Event of Default hereunder.

Notwithstanding anything contained in this Section 21 to the contrary, a failure by the Board to pay when due any payment required to be made under this Facilities Lease or a failure by the Board to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Facilities Lease, resulting from a failure by the Board to appropriate moneys shall not constitute an Event of Default under this Section 21 and the Corporation shall not have any of the remedial rights set forth in this Section 21. Notwithstanding the foregoing, in such event the Board acknowledges that the Facilities Lease shall terminate and the Board shall immediately vacate the Facilities, and deliver the Facilities to the Corporation.

Section 22. Cumulative Remedies. Each right and remedy provided for in this Facilities Lease is cumulative and is in addition to every other right or remedy provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of any or all other rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of this Facilities Lease or to enforce any provision of this Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by the Board of any breach by the Corporation of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 23. Option to Purchase. For and in consideration of the obligations of the Board under the Facilities Lease, the mutual undertakings of the parties, the receipt and adequacy

of which is hereby acknowledged, the Corporation grants to the Board an exclusive and irrevocable option to purchase for the price and on the terms, provisions, stipulations and conditions hereinafter set forth, all but not less than all of the Corporation's leasehold interest in the Facilities.

(a) **Effective Date.** The effective date of this Option agreement shall be the Commencement Date.

(b) **Term of Option.** The Option shall expire at midnight Central Standard Time, on the Expiration Date, or upon the termination of this Facilities Lease, whichever occurs first.

(c) **Limitation on Exercise of Option.** The Board may not exercise the Option, and the Option shall be voidable, at the sole election of the Corporation, if a Default by the Board has occurred and is continuing under the Facilities Lease, and the applicable time period in which the Board may cure such default has expired. Notwithstanding any provision of this Option to the contrary, the Board shall be entitled to exercise the Option as long as the Board is legally obligated to make payments of Base Rental under the Facilities Lease.

(d) **Exercise of Option.** The Board may exercise the Option herein granted at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Bonds are defeased pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Facilities.

(e) **Purchase Price.** The Purchase Price shall be equal to the principal of all Bonds then Outstanding plus the interest to accrue on such Bonds until the purchase date plus any prepayment penalties, charges or costs for early prepayment or defeasance of the Bonds and any Administrative Expenses owed prior to the purchase date which payments are necessary to discharge the Indenture pursuant to Article XII thereof (collectively, the "Purchase Price").

(f) **Effect on Facilities Lease and Ground Lease.** Upon the purchase of the Corporation's leasehold interest in the Facilities by the Board pursuant to this Option, the Facilities Lease and the Ground Lease shall terminate and all of the Corporation's leasehold interest in the Land and the Facilities shall terminate.

(g) **Payment of Purchase Price.** The Board, on the purchase date, shall deposit an amount equal to the Purchase Price with the Trustee.

(i) **Conveyance.** In the event of and upon the payment of the Purchase Price and any other sums due under this Facilities Lease by the Board, the Corporation will on the purchase date execute and deliver to the Board a written cancellation of the Ground Lease and this Facilities Lease.

(ii) **Assignment of Contract Rights and Obligations.** The conveyance of the Corporation's leasehold interest in the Facilities shall also effect a transfer and

assignment of all rights, warranties and liabilities of the Corporation under then existing contracts of any nature with respect to the Facilities.

(h) **Closing.** In the event the Option is timely exercised, notice of the Board's election to the Corporation shall constitute an irrevocable conversion of the Option into a binding obligation of the Corporation to sell its leasehold interest in the Facilities and the Board to buy the same under the terms and conditions set forth in this Section 23, and in such event, the Corporation and the Board shall have the right to demand specific performance of this agreement by the other. The closing shall occur at the offices of the Board or its counsel, or at such other time, place, and date as agreed upon by the Corporation and the Board.

(i) **Closing Costs.** The Board shall pay all closing costs and charges incident to the conveyance of the Corporation's interest in the Land and the Facilities.

(j) **No Warranty.** The Corporation shall convey its leasehold interest in the Facilities without any warranty whatsoever of any nature. The conveyance of the leasehold interest in the Facilities shall be without any warranty as to fitness and condition, as set forth in Section 5 of this Facilities Lease. Language substantially similar to the language contained in Section 5 of this Facilities Lease shall be incorporated into and made a part of such conveyance. In no event shall the Corporation be responsible for any defects in title.

(k) **Default under the Option:**

(i) In the event the Option is exercised, and the Corporation fails to consummate the transactions contemplated herein for any reason, except default by the Board or the failure of the Board to satisfy any of the conditions set forth herein, the Board may, in addition to any other rights and remedies which may otherwise be available to the Board, enforce this agreement by specific performance. The Board's remedies under this Section are expressly subject to the provisions of Section 30 of this Facilities Lease.

(ii) In the event the Option is exercised, and the Board fails to consummate the transactions contemplated herein for any reason, except default by the Corporation or the failure of the Corporation to satisfy any of the conditions set forth herein, the Corporation (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the Board's delay; or (b) may bring suit for damages for breach of this agreement.

(iii) No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Section 23 shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any condition or any subsequent breach of the same or any other term, covenant or condition contained in this Section 23 shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

(l) **Attorney's Fees.** Should either party employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this agreement, or to recover damages for the breach of this agreement, the party prevailing in any final judgment shall have the right to collect from the losing party all Litigation Expenses incurred in enforcing such rights.

(m) **Notices.** Any notices required or permitted under this Section 23 shall be in writing and delivered either in person to the other party, or the other party's authorized agent, or by United States Certified Mail, return receipt requested, postage prepaid, to the address set forth in Section 50 of this Facilities Lease, or to such other address as either party may designate in writing and delivered as herein provided.

(n) **Assignability.** Except as set forth in the Indenture, the Mortgage or the Ground Lease, the Option may not be assigned by the Corporation or its interest in the Facilities sold (subject to the Option or otherwise) to any person or entity without the Board's prior written consent, which consent may be withheld by the Board in its sole discretion.

(o) **Time of Essence:** Time is of the essence of this Option.

(p) **Binding Effect:** This Option shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors and assigns.

Section 24. Severability. If any provisions of this Facilities Lease shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable, to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Facilities Lease shall not affect the remaining portions of this Facilities Lease, or any part thereof.

Section 25. Redemption of Bonds. The Corporation agrees that it will not exercise its option to redeem any Bonds pursuant to the Indenture unless the Board consents to such redemption or such redemption is to be effected with moneys derived from a source other than payments made by the Board under this Facilities Lease, however, in no event shall the mandatory redemption of any Bonds pursuant to the Indenture require the consent of the Board. The Corporation further agrees that if requested by the Board it will take all actions necessary to redeem all or any portion of the Bonds designated by the Board on the first date that it may do so under the terms of the Indenture so long as the Board agrees to provide funds in an amount, and at the time, required to effect such redemption.

Section 26. Additional Bonds. Upon the request and at the expense of the Board, the Corporation shall take action as may be required to effect the issuance of Additional Bonds in such amount as the Board may request as permitted by and in accordance with the provisions of the Indenture for any purpose permitted thereby.

Section 27. Execution. This Facilities Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which together shall constitute one and the same Facilities Lease.

Section 28. Law Governing. This Facilities Lease is made in the State under the constitution and laws of the State and is to be governed by the laws of the State.

Section 29. Nonappropriation of Funds. In the event no funds or insufficient funds are lawfully appropriated in any Fiscal Year enabling the payment of Base Rental and Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the month following the Base Rental payment date on which the last payment of Base Rental can be made in full from Lawfully Available Funds, this Facilities Lease shall terminate without penalty or expense to the Board of any kind whatsoever, except as to the portions of Base Rental and Additional Rental payments herein agreed upon for Fiscal Years for which sufficient funds have been lawfully appropriated. In the event of such termination, the Board agrees peaceably to surrender possession of the Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Facilities and re-let or sell the Facilities as the Corporation determines and as granted in this Facilities Lease. The Board acknowledges that the Corporation's rights to take possession and to re-let or sell the Facilities under this Section 29 may be assigned to the Trustee for the benefit of the owners of the Bonds, and the Board agrees that the Trustee shall be entitled to exercise all of the rights of the Corporation under this Section 29. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under this Facilities Lease shall not constitute a default hereunder, but shall ipso facto terminate this Facilities Lease. This provision is operative notwithstanding any provisions of this Facilities Lease to the contrary. The Board shall be considered in default hereunder if sufficient funds are lawfully appropriated for the payment of Rental required under this Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation shall be entitled to the rights and remedies set forth in Sections 21 and 22 hereof.

Section 30. Exculpatory Provision. In the exercise of the powers of the Corporation and its trustees, officers, employees and agents under this Facilities Lease and the Indenture, the Corporation shall not be accountable or liable to the Board (i) for any actions taken or omitted by it or its officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Facilities Lease against any officer, employee or agent of the Corporation in his or her personal capacity, all such liability, if any, being expressly waived by the Board by the execution of this Facilities Lease. Nothing in this Facilities Lease or the Indenture is intended to require or obligate, nor shall anything herein or therein be interpreted to require or obligate, the Corporation for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Corporation other than the funds derived from the issuance of the Bonds under the Indenture and moneys derived pursuant to the Indenture and this Facilities Lease.

The Board specifically agrees to look solely to the Corporation's interest in the Facilities for the recovery of any judgments from the Corporation. It is agreed that the Corporation will not be personally liable for any such judgments, or incur any pecuniary liability as a result of this Facilities Lease to the Board, or the breach of its obligations hereunder. The Corporation's liability under this Facilities Lease is "in rem" as to its interest in the Facilities. The provisions contained in the preceding sentences are not intended to and will not limit any right that the Board might otherwise have to obtain injunctive relief against the Corporation or relief in any suit or action in connection with enforcement or collection of amounts that may become owing or payable under or on account of insurance maintained by the Corporation.

Section 31. Amendments. This Facilities Lease may be amended only as permitted in Article VIII of the Agreement.

Section 32. Recording. The Corporation covenants and agrees that it will promptly record and from time to time re-record a memorandum in recordable form of this Facilities Lease and the Indenture and all supplements thereto and hereto in such manner and in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Bonds.

Section 33. Construction Against Drafting Party. The Corporation and the Board acknowledge that each of them and their counsel have had an opportunity to review this Facilities Lease and that each Party was responsible for the drafting thereof.

Section 34. Time of the Essence. Time is of the essence of each and every provision of this Facilities Lease.

Section 35. No Waiver. The waiver by the Corporation of any agreement, condition, or provision contained in this Facilities Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Facilities Lease, nor will any custom or practice that may grow up between the parties in the administration of the terms of this Facilities Lease be construed to waive or to lessen the right of the Corporation to insist upon the performance by the Board in strict accordance with the terms of this Facilities Lease. The subsequent acceptance of Rental by the Corporation will not be deemed to be a waiver of any preceding breach by the Board of any agreement, condition, or provision of this Facilities Lease, other than the failure of the Board to pay the particular Rental so accepted, regardless of the Corporation's knowledge of such preceding breach at the time of acceptance of such Rental.

Section 36. Survival. To the extent permitted by law and to the extent such will not constitute the incurrence of debt by the Board, all of the Corporation's remedies and rights of recovery under Sections 19 and 20 of this Facilities Lease shall survive the Term and/or the purchase of the Facilities by the Board under the Option.

Section 37. Counterparts. This Facilities Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

Section 38. Estoppel Certificates. At any time and from time to time but within ten (10) days after prior written request by the Corporation, the Board will execute, acknowledge, and deliver to the Corporation, promptly upon request but only to the extent accurate, a certificate certifying (i) that this Facilities Lease is unmodified and in full force and effect or, if there have been modifications, that this Facilities Lease is in full force and effect, as modified, and stating the date and nature of each modification; (ii) the date, if any, to which Rental and other sums payable under this Facilities Lease have been paid; (iii) that no Notice of any default has been delivered to the Corporation which default has not been cured, except as to defaults specified in said certificate; (iv) that there is no Event of Default under this Facilities Lease or an event which, with Notice or the passage of time, or both, would result in an Event of Default under this Facilities Lease, except for defaults specified in said certificate; and (v) such other matters as may be reasonably requested by the Corporation. Any such certificate may be relied upon by any prospective purchaser or existing or prospective mortgagee of the Facilities or any part thereof. The Board's failure to notify the Corporation of any inaccuracies in the proposed certificate within the specified time period shall be conclusive evidence that the matters set forth in the certificate are accurate and correct.

Section 39. Waiver of Jury Trial. The Corporation and the Board waive trial by jury in any action, proceeding, or counterclaim brought by either of the Parties to this Facilities Lease against the other on any matters whatsoever arising out of or in any way connected with this Facilities Lease, the relationship of the Corporation and the Board, the Board's use or occupancy of the Facilities, or any other Claims, and any emergency statutory or any other statutory remedy.

Section 40. Written Amendment Required. No amendment, alteration, modification of, or addition to the Facilities Lease will be valid or binding unless expressed in writing and signed by the Corporation and the Board and consented to the extent required by Article VIII of the Agreement.

Section 41. Entire Agreement. This Facilities Lease, the exhibits and addenda, if any, contain the entire agreement between the Corporation and the Board. No promises or representations, except as contained in this Facilities Lease, have been made to the Board respecting the condition or the manner of operating the Facilities.

Section 42. Signs. The Board may attach any sign on any part of the Facilities, or in the halls, lobbies, windows, or elevator banks of the Facilities, without the Corporation approval. The Board may name the Facilities and change the name, number, or designation of the Facilities, without the Corporation's prior consent.

Section 43. Litigation Expenses. The Board will pay the Corporation as Additional Rental all reasonable Litigation Expenses and all other reasonable expenses which may be incurred by the Corporation in enforcing any of the obligations of the Board under this Facilities Lease, in exercising its rights to recover against the Board for loss or damage sustained in accordance with the provisions of this Facilities Lease, or in any litigation or negotiation in which the Corporation shall, without its fault, become involved through or because of this Facilities Lease.

Section 44. Brokers. The Corporation and the Board respectively represent and warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Facilities.

Section 45. No Easements for Air or Light. Any diminution or shutting off of light, air, or view by any structure that may be erected on any of the lands constituting the Facilities, or on lands adjacent to the Facilities, will in no way affect this Facilities Lease or impose any liability on the Corporation. This Facilities Lease does not grant any rights to light, view and/or air over the Facilities whatsoever.

Section 46. Binding Effect. The covenants, conditions, and agreements contained in this Facilities Lease will bind and inure to the benefit of the Corporation and the Board and their respective permitted successors and assigns.

Section 47. Rules of Interpretation. The following rules shall apply to the construction of this Facilities Lease unless the context requires otherwise: (a) the singular includes the plural and the plural includes the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to "writing" include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words "including" "includes" and "include" shall be deemed to be followed by words "without limitation"; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivision of sections), exhibits, appendices, annexes or schedules are to those of this Facilities Lease unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments; (h) references to Persons include their respective successors and assigns to the extent successors or assigns are permitted or not prohibited by the terms of this Facilities Lease; (i) any accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles; (j) "or" is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which have expired shall be of no force and effect after such termination, release, or expiration; (m) references to mail shall be deemed to refer to first-class mail, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Hammond, Louisiana time; (o) references to specific persons, positions, or officers shall include those who or which succeed to or perform their respective functions, duties, or responsibilities; and (p) the terms "herein", "hereunder" "hereby" "hereof," and any similar terms refer to this Facilities Lease as a whole and not to any particular articles, section or subdivision hereof.

Section 48. Relationship of Parties. The relationship of the Parties shall be one of lessor and lessee only, and shall not be considered a partnership, joint venture, license arrangement or unincorporated association. The Corporation is not controlled by the Board or under the control of any Person also in control of the Board.

Section 49. Law Between the Parties. This Facilities Lease shall constitute the law between the Parties, and if any provision of this Facilities Lease is in conflict with the provisions

of "Title IX - Of Lease" of the Louisiana Civil Code, Articles 2669 through 2777, inclusive, the provisions of this Facilities Lease shall control.

Section 50. Notices. All notices, filings and other communications ("Notice") shall be in writing and shall be sufficiently given and served upon the other parties if delivered by hand directly to the persons at the addresses set forth below, or shall be sent by first class mail, postage prepaid, addressed as follows:

The Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

With copies at the same time to:

Seale & Ross
200 North Cate Street
Hammond, Louisiana 70404
Attention: T. Jay Seale

The Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Assistant Vice President for Facilities Planning

With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

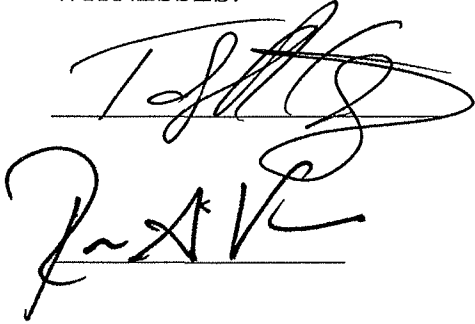
Trustee:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Department

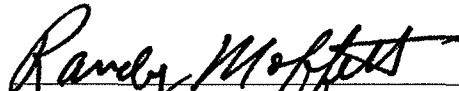
[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned representative has signed this Facilities Lease on behalf of the Board of Supervisors for the University of Louisiana System as of the 12 day of August, 2004.

WITNESSES:



BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: 
Randy Moffett
President, Southeastern Louisiana University

IN WITNESS WHEREOF, the undersigned representative has signed this Facilities Lease on behalf of University Facilities, Inc. on the 12th day of August, 2004.

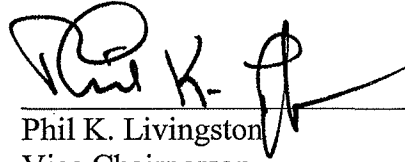
WITNESSES:





UNIVERSITY FACILITIES, INC.

By:



Phil K. Livingston
Vice Chairperson

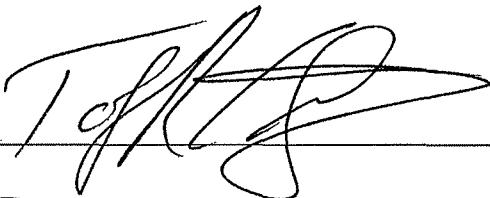
STATE OF LOUISIANA

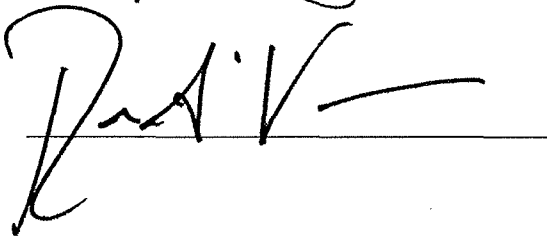
PARISH OF ORLEANS

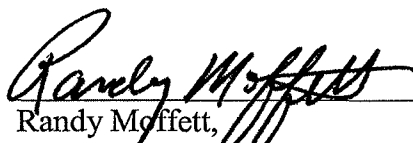
BE IT KNOWN, that on this 12th day of August, 2004, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

Randy Moffett

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University, and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.





By: 

Randy Moffett,
President of Southeastern Louisiana
University



NOTARY PUBLIC

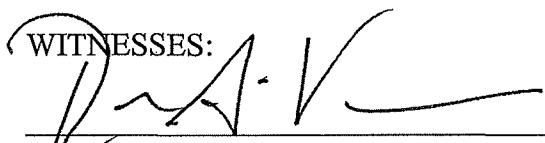

STATE OF LOUISIANA

PARISH OF ORLEANS

BE IT KNOWN, that on this 12th day of August, 2004, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

Phil K. Livingston

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Vice Chairperson of University Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

WITNESSES:



By: 
Phil K. Livingston
Vice Chairperson


NOTARY PUBLIC

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

i. Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - a. Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

(d) Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardiplank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

Tangipahoa Parish Recording Page

5f

Julian E. Dufreche
Clerk of Court
P. O. Box 667
110 North Bay Street, Suite 100
Amite, LA 70422
(985) 748-4146

Received From :
JONES WALKER

First VENDOR
UNIVERSITY FACILITIES INC

First VENDEE
BANK OF NEW YORK TRUST COMPANY THE

Index Type : Conveyances

Instrument # : 672511

Type of Document : Assignment - Conveyance Book

Book : 994 Page : 345

Recording Pages : 44

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Tangipahoa Parish, Louisiana

s/DODI DAIGLE

Deputy Clerk

On (Recorded Date) : 08/18/2004

At (Recorded Time) : 12:55:05 PM



Doc ID - 007587500044

Clerk Of Court
Julian E. Dufreche
Parish of Tangipahoa
I certify that this is a true copy of the attached
document that was filed for registry and
Recorded 08/18/2004 at 12:55:05
File Number 672511
Recorded in Book 994 Page 345



Deputy Clerk

Dodi Daigle

Return To :

Tangipahoa Parish Recording Page

✓✓

Julian E. Dufreche
Clerk of Court
P. O. Box 667
110 North Bay Street, Suite 100
Amite, LA 70422
(985) 748-4146

Received From :
JONES WALKER

First MORTGAGOR
UNIVERSITY FACILITIES INC

First MORTGAGEE
BANK OF NEW YORK TRUST COMPANY THE

Index Type : Mortgages

File Number : 672170

Type of Document : Mortgage (10 Pgs Or More)

Book : 1269 Page : 116

Recording Pages : 43

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Tangipahoa Parish, Louisiana

Dodi Daigle
Deputy Clerk

On (Recorded Date) : 08/13/2004

At (Recorded Time) : 2:14:17 PM



Doc ID - 007577220043

SCANNED

STATE OF LOUISIANA AMITE LOUISIANA
PARISH OF TANGIPAHOA 8/18/04
s/DODI DAIGLE DATE
I, Dodi Daigle do hereby certify that this document is a true and correct copy of the original thereof, consisting of 43 page(s) being a reproduction thereof from the records on file with the undersigned, in accordance with Louisiana Revised Statutes, Title 13, Section 3723.

Dodi Daigle
DEPUTY CLERK

Return To :

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

ACT OF MORTGAGE, ASSIGNMENT OF LEASES AND SECURITY AGREEMENT

On this 13th day of August, 2004 before the undersigned Notary Public, in and for the State of Louisiana, and in the presence of the undersigned competent witnesses, personally came and appeared:

UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation, herein represented by its undersigned duly authorized officer (the "**Mortgagor**")

TAXPAYER IDENTIFICATION NUMBER: 72-1417328

MAILING ADDRESS: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402

who declared as follows:

**ARTICLE 1
DEFINITIONS**

Section 1.1 Definitions. All terms defined in this Mortgage shall have the meaning so given wherever used herein. Such meanings shall be equally applicable to both the singular and plural forms of the terms defined. Capitalized terms not otherwise defined herein shall have the meanings given to such term in the Indenture. The following terms shall have the meanings indicated:

"Accounts" shall mean all "accounts" (as defined in the Commercial Laws) now owned or hereafter acquired by the Mortgagor that relate to the Facilities or the Property, and shall also mean and include all accounts receivable, notes, notes receivable, instruments, drafts, acceptances, book debts and similar documents and other moneys, obligations or indebtedness owing or to become owing to the Mortgagor arising from the sale, lease or exchange of goods or other property by the Mortgagor and constituting part of and relating to the Facilities or the Property or derived in any other manner by Mortgagor from its ownership of the Facilities or the Property or any part thereof and the operation of the Facilities or the Property or any part thereof or the performance of services

by the Mortgagor or under any contracts for any of the foregoing (whether or not yet earned by performance on the part of the Mortgagor), in each case whether now in existence or hereafter arising or acquired, and in all cases relating to the Facilities or the Property.

"Additional Bonds" shall mean bonds, if any, issued in one or more series on a parity with the Bonds pursuant to the terms of the Indenture.

"Advances" shall mean amounts paid on behalf by Mortgagor by Mortgagee pursuant to the terms of this Mortgage.

"Agreement" shall mean the Loan Agreement dated as of August 1, 2004, between the Mortgagor and the Authority, including any amendments and supplements thereof and thereto as permitted thereunder.

"Authority" shall mean the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of Chapter 10-D of Title 33 of Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 33:4548.16, inclusive), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers centered upon the Authority by said provisions shall be given by law.

"Board" shall mean the Board of Supervisors for the University of Louisiana System, formerly known as the Board of Trustees for State Colleges and Universities, or its legal successor as the management board of the University, acting on behalf of the University.

"Bond Insurer" shall mean MBIA Insurance Corporation, or any successor thereto.

"Bonds" shall mean, collectively, the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B and the \$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C and such Bonds issued in exchange for other such Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Bonds pursuant to the Indenture and any Additional Bonds issued under the Indenture.

"Charges" shall mean all federal, state, parish, city, municipal, or other Taxes, levies, assessments, or charges that, if not paid when due, may result in a Lien of any Governmental Authority against the Mortgaged Property.

"Collateral" shall have the meaning set forth in Section 3.3 of this Mortgage.

"Commercial Laws" shall mean the Louisiana Commercial Laws (Chapter 9 of Title 10 of the Louisiana Revised Statutes), as amended.

"Corporation" shall mean University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

"Default Rate" shall mean 10% per annum.

"Environmental Requirements" shall mean all State, federal, local, municipal, parish, and regional Environmental Requirements, statutes, rules, regulations, ordinances, codes, permits, approvals, plans, authorizations, concessions, investigation results and guidance documents; all legislative, judicial, and administrative environmental judgments, decrees, orders, rules, rulings, and regulations; and all agreements and other restrictions and requirements relating to environmental matters, whether in effect on, prior to or after the Commencement Date, of any Governmental Authority, including, without limitation, federal, state, and local authorities, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, pollutants, petroleum, petroleum wastes, petroleum-based materials, asbestos, radioactive materials, polychlorinated biphenyls, pesticides, biohazards or other materials that are potentially harmful to humans or the environment or the release of which could trigger any reporting or remediation obligations and including without limitation the following Environmental Requirements: The Clean Air Act (42 U.S.C.A. §7401); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901); CERCLA, as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601); the Clean Water Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §3007); the Occupational Safety and Health Act (29 U.S.C. §651); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §136); the Louisiana Environmental Quality Act (La. R.S. 30:2001); and the Louisiana Air Quality Regulations (La. C. 33:III.2595) including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

"Equipment" shall mean all "equipment" (as defined in the Commercial Laws) now owned or hereafter acquired by the Mortgagor, wherever located, but only that equipment used in connection with the operation and maintenance of the Facilities or the Property, together with all additions, accessories, parts, attachments, improvements, special tools and accessions now and hereafter affixed thereto or used in connection therewith, and all replacements thereof and substitutions therefor.

"Event of Default" has the meaning given such term in Section 6.1.

"Facilities" means the student housing and related facilities described in Exhibit A to the Agreement to Lease with Option to Purchase, as amended and supplemented in accordance with the

provisions of the Agreement, which are to be renovated and/or constructed in three (3) phases with the proceeds of the Bonds and Additional Bonds, and Southeastern Oaks and The Village.

"Facilities Lease" shall mean that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004 by and between the Board, as lessee, and the Mortgagor, as lessor, whereby the Mortgagor will lease the Facilities to the Board, on its own behalf and on behalf of the University.

"Fixtures" shall mean all fixtures as that term is defined in the Commercial Laws; all machinery, apparatus, and equipment presently located upon or within the Facilities or the Property, or which become a component part of the Facilities or the Property, or now or hereafter attached to, or installed in or used in connection with the Facilities or the Property including, but not limited to any and all partitions, plumbing, electrical, mechanical, heating, ventilating and air conditioning systems and/or equipment, and all equipment, movable property and personal property placed on or in the Facilities or the Property, and which become a component part of the Facilities or the Property under applicable Laws, and which are located on and used in connection with the operation of the Facilities or the Property.

"General Intangibles" shall mean those certain "general intangibles" (as defined in the Commercial Laws) now owned or hereafter acquired by the Mortgagor relating to the Facilities or the Property, including, without limitation: (i) all contractual rights and obligations or indebtedness owing to the Mortgagor (other than Accounts) arising from its ownership, use, or operation of the Facilities; (ii) all things in action, rights represented by judgments, claims arising out of tort and other claims relating to the Collateral (including the right to assert and otherwise be the proper party of interest to commence and prosecute actions); (iii) all rights or claims in respect of refunds for taxes paid with respect to its ownership, use and operation of the Facilities or the Property.

"Governmental Authority" shall mean any federal, State, parish, regional, or local government, political subdivision, any governmental agency, department, authority, instrumentality, bureau, commission, board, official, or officer, any court, judge, examiner, or hearing officer, any legislative, judicial, executive, administrative, or regulatory body or committee or official thereof or private accrediting body.

"Ground Lease" shall mean that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, by and between the Board, as lessor on behalf of the University, and the Mortgagor, as lessee, whereby the Property (as defined therein) is leased by the Board to the Mortgagor, and any amendment or supplement thereto entered into from time to time in accordance with the terms hereof.

"Hazardous Substance" shall mean any substance or material that is described as a toxic or hazardous substance, waste or material or a pollutant or contaminant or infectious waste, or words of similar import, in any case of the Environmental Requirements, and includes, without limitation, asbestos, petroleum, or petroleum products (including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or any mixture thereof), polychlorinated biphenyls, pesticides, urea formaldehyde, radon gas, radioactive matter, and medical waste and any other substance or waste that is potentially harmful to human health, natural resources,

or the environment or the presence of which in the environment could trigger a remediation obligation or other liability under Environmental Requirements or any constituent of the foregoing.

"Indenture" shall mean that certain Trust Indenture dated as of August 1, 2004, between the Authority and the Trustee relating to and authorizing the issuance of the Bonds, as it may be amended or supplemented from time to time by supplemental indentures in accordance with its provisions.

"Inventory" shall mean that certain "inventory" (as defined in the Commercial Laws) now owned or hereafter acquired by the Mortgagor, wherever located, relating solely to its ownership, use and operation of the Facilities or the Property, including all raw materials and work in process therefor, finished goods thereof, and materials used or consumed in the manufacture or production thereof, all goods in which the Mortgagor has an interest, and all goods which are returned to or repossessed by the Grantor, and all accessions thereto, products thereof and documents therefor.

"Laws" shall mean all applicable constitutions, treaties, statutes, laws, ordinances, regulations, orders, writs, injunctions, or decrees of the United States or of any state, commonwealth, nation, territory, possession, county, parish, municipality, or Governmental Authority.

"Leases" shall have the meaning set forth in Section 3.2 of this Mortgage.

"Lien" shall mean any lien, privilege, pledge, assignment, hypothecation, conditional sale agreement, title retention agreement, financing lien, lessor or lessee's interest under any lease, subordination of any claim or right, security interest, mortgage, or other encumbrance, whether arising by mortgage, pledge agreement, or under Laws.

"Loan Documents" collectively shall mean the Indenture, the Agreement, the Bonds, this Mortgage, the Reimbursement Agreement and all instruments and documents executed in connection with this transaction and the issuance of the Bonds, whether now existing or hereafter arising, including all amendments, extensions and renewals of the foregoing documents.

"Loss Proceeds" shall mean proceeds attributable to the sale, insurance loss, condemnation, or other taking of all or any part of the Mortgaged Property, and any contract, tort, or other damage awards in connection with, relating to, or arising out of all or any part of the Mortgaged Property in connection with the sale, insurance loss, condemnation or other taking thereof (including, without limitation, any sums that may be awarded or become payable to the Mortgagor for damages caused by public works or constructions on or near the Mortgaged Property).

"Losses" has the meaning given such term in Section 5.9(5) of this Mortgage.

"Mortgage" shall mean this Act of Mortgage, Assignment of Leases and Security Agreement, as from time to time supplemented and amended.

"Mortgaged Property" has the meaning given such term in Section 3.1.

"Mortgagee" shall mean The Bank of New York Trust Company, N.A., as Trustee under the Indenture, and its successors and assigns.

"Mortgagor" shall mean the Corporation, and its successors and assigns.

"Obligations" has the meaning assigned such term in Section 2.

"Permitted Encumbrances" shall mean, as of any particular time, (a) liens for taxes and special assessments that are not then delinquent or liens that may remain unpaid while subject to contest in accordance with the provisions of this Mortgage and the Agreement; (b) the Ground Lease and this Mortgage; (c) any mortgage, pledge, assignment or lien against or affecting the Facilities or any revenues derived therefrom granted by the Corporation in connection with any financing of Additional Facilities (as defined in the Facilities Lease) owned or leased by the Corporation as permitted under Section 3(i) of the Facilities Lease; and (d) any exceptions to title contained in Schedule B to the title insurance policies issued to Mortgagee in connection with the execution of the Loan Documents.

"Person" shall mean any individual, partnership, corporation (including a business trust), joint stock company, limited liability company, trust, unincorporated association, joint venture, or other entity, or a government or any political subdivision or Governmental Authority.

"Proceeds" shall mean all cash and non-cash proceeds of, and all other products, profits, rentals, issues, returns, income, royalties, revenues or receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing or other disposition of, or realization upon, Collateral or derived in any other manner by Mortgagor from its ownership of the Project or any part thereof and the operation of the Project or any part thereof, including, without limitation, all claims of the Mortgagor against third parties for loss of, damage to or destruction of, or for proceeds payable under, or unearned premiums with respect to, policies of insurance in respect of, any Collateral, including, without limitation, any such policies insuring against loss of revenues by reason of interruption of the operation of the Facilities, and any amounts payable due to any condemnation, requisition or other taking, exercise of eminent domain or transfer with respect to any Collateral or any part thereof, and all amounts collected under payment and performance bonds, if any, maintained with respect to the Project, and any and all additional revenues, income, receipts and other payments (including, without limitation, grants, donations, gifts and appropriations received from any private or public source) that hereafter are received by the Mortgagor for or relating to the Project or that hereafter may be assigned by the Mortgagor pursuant to this Mortgage, and including proceeds of all such proceeds, in each case whether now existing or hereafter arising and all rights of Mortgagor to terminate, amend, supplement, modify or waive performance under any agreement, and to perform thereunder and to compel performance and otherwise exercise all remedies thereunder.

"Property" shall mean the immovable property described on **Exhibit A** attached hereto.

"Rentals" shall have the meaning set forth in Section 3.2 of this Mortgage.

"Security Interests" shall mean the mortgage lien, collateral assignment and security interests in the Collateral and Proceeds granted hereunder securing the Obligations.

"Taxes" mean all taxes, forced contributions, assessments, charges, fees, levies, imposts, duties, deductions, withholdings, or other charges from time to time or at any time imposed by any Laws or any Governmental Authority.

"Tenants" shall have the meaning set forth in Section 3.2 of this Mortgage.

"Trustee" shall mean The Bank of New York Trust Company, N.A., as trustee under the Indenture, for the benefit of the holders of the Bonds, and any successor in trust appointed pursuant to the Indenture.

"University" shall mean Southeastern Louisiana University in Hammond, Louisiana.

Section 1.2 Number and Gender of Words. Whenever herein the singular number is used, the same shall include the plural where appropriate, and vice versa, and words of any gender shall include each other gender where appropriate.

Section 1.3 Headings. The captions, headings, and arrangements used in this Mortgage are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof. All references in this Mortgage to Exhibits and Sections refer to the Exhibits and Sections of this Mortgage (as modified, amended, or supplemented from time to time) unless expressly provided otherwise. All Exhibits attached to this Mortgage are a part hereof for all purposes.

Section 1.4 Amendment of Defined Instruments. Unless the context otherwise requires or unless otherwise provided herein, references in this Mortgage to a particular agreement, instrument, or document also refer to and include all renewals, extensions, amendments, modifications, supplements, or restatements of any such agreement, instrument, or document; provided that nothing contained in this Section shall be construed to authorize any Person to execute or enter into any such renewal, extension, amendment, modification, supplement, or restatement.

ARTICLE 2

OBLIGATIONS SECURED

The Mortgage is given for the purposes of securing the following indebtedness and obligations (hereinafter collectively referred to as the "**Obligations**"):

- (i) the punctual payment of the principal of, premium, if any, and interest on the Bonds and Additional Bonds hereafter issued under and in accordance with the terms of the Indenture and the payment and performance of any and all present and future indebtedness, obligations and liabilities of the Mortgagor and the Authority to the Bond Insurer and the Mortgagee, as Trustee under the Indenture and the punctual payment of all amounts owed by the Mortgagor under the Agreement assigned by the Authority to the Trustee pursuant to the Indenture;

(ii) the punctual payment of all obligations incurred by the Mortgagor for the purpose of financing any additional student housing owned or leased by the Board or the Mortgagor as permitted under Section 3(i) of the Facilities Lease; and

(iii) any obligations arising under or in connection with this Mortgage or any other Loan Document, including for reimbursement of amounts that may be advanced or expended by the Bond Insurer and the Mortgagee (A) to satisfy amounts required to be paid by the Mortgagor under this Mortgage for claims and charges, together with interest thereon to the extent provided, or (B) to maintain or preserve any of the Collateral or to create, perfect, continue, or protect any of the Collateral or any Lien thereon, or its priority;

in each and every case, whether due or not due, direct or indirect, joint and/or several or solidary, absolute or contingent, voluntary or involuntary, liquidated or unliquidated, determined or undetermined, now existing or hereafter arising, existing, renewed, or restructured, whether or not from time to time decreased or extinguished and later increased, created or incurred, whether or not arising after the commencement of a proceeding under the Federal Bankruptcy Code (including post-petition interest), and whether or not recovery of any such obligation or liability may be barred by a statute of limitations or prescriptive period, or may otherwise be unenforceable, and including all obligations and liabilities of the Mortgagor under any instrument now or hereafter evidencing or securing any of the foregoing and all future advances hereunder or pursuant to any other document to the fullest extent permitted by Article 3298 of the Louisiana Civil Code.

Notwithstanding any provisions of this Mortgage to the contrary, in any action commenced to enforce the obligations of Mortgagor created or arising hereunder, the judgment shall not be enforceable personally against Mortgagor other than against the rights and properties conveyed, mortgaged, assigned and/or pledged as security for payment of the Obligations pursuant to this Mortgage, the Agreement, and the Indenture, including, without intending to limit the generality of the foregoing, the Property, and all rents, issues, profits, revenues and other income and proceeds derived from the Property, and any such judgment shall not be subject to execution on any other assets of Mortgagor. The holders of this Mortgage agree that the Obligations of Mortgagor created or arising hereunder are in rem obligations of Mortgagor.

ARTICLE 3 **MORTGAGED PROPERTY**

Section 3.1 Hypothecation. In order to secure the full and punctual payment and performance of the Obligations, Mortgagor does by these presents specially mortgage, assign, affect, pledge, and hypothecate unto and in favor of the Mortgagee, to inure to the use and benefit of the Mortgagee, all the following described property (collectively, the "**Mortgaged Property**"):

1. **Leasehold of the Property.** Mortgagor's leasehold interest in and to the Property created under the Ground Lease.
2. **Facilities and Improvements.** Mortgagor's leasehold interest in and to all the buildings and improvements situated on the Property comprising the Facilities and, to the extent the following are not part of the Facilities, all of Mortgagor's leasehold interest in

appurtenances, rights, ways, privileges, servitudes, prescriptions and advantages thereunto belonging or in anywise appertaining, including, but without limitation, all component parts of the Property, and all component parts of any building or other construction located on the Property, now or hereafter a part of or attached to said Property or used in connection therewith.

3. **Additions, Etc., and Proceeds.** This Mortgage, without further action, shall also attach to all (i) subsequent additions, substitutions, and replacements to and for any or all of the Mortgaged Property, (ii) present and future component parts thereof and accessions thereto, (iii) natural increases, accessions, accretions, and issues of the Mortgaged Property, (iv) rights of the Mortgagor to receive the Loss Proceeds, and (v) all future interests of the Mortgagor in and to the Mortgaged Property to the extent allowed under Louisiana Civil Code Article 3292.

With respect to the Loss Proceeds, this Mortgage is a collateral assignment thereof pursuant to Louisiana Revised Statutes 9:5386, *et seq.*, whether such Loss Proceeds or any of them now exist or arise in the future, and the Mortgagor does hereby irrevocably make, constitute, and appoint the Mortgagee and the agents of the Mortgagee as the true and lawful mandataries and attorneys-in-fact of the Mortgagor to carry out and enforce all of the Mortgagor's rights, title, and interest in and to any or all of the Loss Proceeds hereby collaterally assigned. The collateral assignment herein made of the Loss Proceeds shall not be construed as imposing upon the Mortgagee any obligations with respect thereto unless and until the Mortgagee shall become the absolute owner thereof and the Mortgagor shall have been wholly dispossessed thereof.

The Mortgaged Property is to remain so specially mortgaged, assigned, affected, pledged, and hypothecated unto and in favor of the Mortgagee and subject to the security interests created hereby until the full and final payment and performance or discharge of the Obligations, and the Mortgagor is herein and hereby bound and obligated not to sell, alienate, deteriorate, or encumber the Mortgaged Property to the prejudice of this Mortgage, and not to permit or suffer the same to be so sold, alienated, deteriorated, or encumbered, except as otherwise may be permitted hereunder.

Section 3.2 Assignment of Leases and Rentals. To further secure the full and punctual payment and performance of all present and future Obligations, up to the maximum amount outstanding at any time and from time to time set forth in Section 3.9 below (the "Maximum Amount"), the Mortgagor does hereby transfer, assign and pledge unto Mortgagee, and grant a continuing security interest in, all of the Mortgagor's right, title and interest in and to (i) all leases and subleases affecting the Mortgaged Property including, without limitation, the Facilities Lease or any part thereof, or any other concession, license or right to use the Facilities, whether now existing or hereafter arising, together with any and all renewals, extensions or modifications thereof (the "Leases"), and (ii) all revenues, rentals and other sums due or becoming due under the Leases, but excluding tenants' security deposits unless and until applied in satisfaction of tenants' obligations as provided in the Management Agreement and refunds and reimbursements due to students in accordance with University policy (collectively, the "Rentals"). The rights assigned by this Mortgage include, without limitation, all of the Mortgagor's right, power, privilege and option to modify,

amend or terminate the Leases, or waive or release the performance or satisfaction of any duty or obligation of any tenant or lessee (each a "Tenant") under the Leases.

Section 3.3 The Security Interests. In order to secure the full and punctual payment and performance of all present and future Obligations, the Mortgagor hereby grants to the Mortgagee a continuing security interest in and to all right, title and interest of the Mortgagor in, to or under the following property, whether now owned or existing or hereafter acquired or arising and regardless of where located:

- (i) all Accounts and all purchase orders for goods, services or other property and other documents, and all returned, rejected or repossessed goods, the sale or lease of which gave rise to an Account;
- (ii) all Inventory;
- (iii) all Equipment;
- (iv) all General Intangibles;
- (v) other moneys and property of any kind of the Mortgagor in the possession or under the control of the Mortgagee derived from the operation of the Facilities;
- (vi) all rights of the Mortgagor now or hereafter existing in and to all security agreements, guaranties, leases and other contracts securing or otherwise relating to the Collateral;
- (vii) all agreements, including vendor warranties, running to Mortgagor or assigned to Mortgagor, to which Mortgagor may be or become a party to relating to the construction or operation of the Facilities or any part thereof, or relating to the maintenance, improvement, operation or acquisition of the Facilities or any part thereof, or transport of material, equipment and other parts of the Facilities or any part thereof or any other lease or sublease agreements or easement agreements relating to the Facilities or any part thereof or any ancillary facilities to which Mortgagor is or becomes a party, and all amendments, supplements, substitutions and renewals to any of the foregoing (each an "Assigned Agreement" and collectively, the "Assigned Agreements");
- (viii) all permits relating to the Facilities, but excluding any permits which by their terms or by operation of law prohibit or do not allow assignment or which would become void solely by virtue of a security interest being granted therein;
- (ix) all other personal property and fixtures of Mortgagor relating to the Facilities, whether now owned or existing or hereafter acquired or arising, or in which Mortgagor may have an interest, and wheresoever located, whether or not of a type which may be subject to a security interest under the Commercial Laws, including without limitation all machinery, tools, generators, transformers, pumps, filters, membranes, water storage tanks, control equipment, appliances, mechanical and

electrical systems, elevators, lighting, alarm systems, fire control systems, furnishings, furniture, as-extracted collateral, equipment, service equipment, motor vehicles, building or maintenance equipment, building or maintenance materials, pipes, pipelines and pipeline supplies (including valves and fittings), goods and property covered by any warehouse receipts or bills of lading or other such documents, spare parts, maps, plans, specifications, architectural, engineering, construction or shop drawings, manuals or similar documents, copyrights, trademarks and trade names, and any replacements, renewals or substitutions for any of the foregoing or additional tangible or intangible personal property hereafter acquired by Mortgagor;

- (x) all goods, investment securities, investment property, contracts (including the Loan Documents), commercial tort claims, letters of credit, letter of credit rights, payment intangibles, software, intellectual property rights supporting obligations, documents, deposit accounts, chattel paper (including tangible and electronic chattel paper) and as-extracted Collateral relating to the Facilities;
- (xi) all books and records (including, without limitation, customer lists, credit files, computer programs, tapes, disks, punch cards, data processing software, transaction files, master files, printouts and other computer materials and records) of the Mortgagor pertaining to any of the foregoing; and
- (xii) all Proceeds and products of all or any of the Collateral described in clauses (i) through (xi) hereof.

The term "Collateral" shall mean each and all of the items and property rights described in clauses (i)-(xii) above, together with the Mortgaged Property, the Loss Proceeds, the Leases, the Rentals and the items and property rights described in Sections 3.1 and 3.2.

Section 3.4 No Liability. The Security Interests are granted as security only and shall not subject the Mortgagee to, or transfer or in any way affect or modify, any obligation or liability of the Mortgagor with respect to any of the Collateral or any transaction in connection therewith.

Section 3.5 Assigned Agreements. Each Assigned Agreement shall provide that, or each other party to such Assigned Agreement shall agree that, if any default by Mortgagor under any of the Assigned Agreements shall occur and be continuing, then Mortgagee shall, at its option and after the expiration of the applicable cure periods under Section 8.2 of the Indenture, be permitted (but shall not be obligated) to remedy any such default by giving written notice of such intent to Mortgagor and to the parties to the Assigned Agreement or Assigned Agreements for which Mortgagee intends to remedy the default. Any cure by Mortgagee of Mortgagor's default under any of the Assigned Agreements shall not be construed as an assumption by Mortgagee or any other Person of any obligations, covenants or agreements of Mortgagor under such Assigned Agreement, and neither Mortgagee nor any other Person shall be liable to Mortgagor or any other Person as a result of any actions undertaken by Mortgagee in curing or attempting to cure any such default. This Mortgage shall not be deemed to release or to affect in any way the obligations of Mortgagor under the Assigned Agreements.

Section 3.6 Confession of Judgment. For purposes of executory process, the Mortgagor does hereby acknowledge and CONFESS JUDGMENT in favor of the Mortgagee for the full amount of the Obligations.

Section 3.7 Attorneys' Fees. In case foreclosure proceedings are instituted to protect the rights of the Mortgagee, or to enforce any of the agreements contained in this Mortgage, the Mortgagor herein and hereby agrees to pay all costs of collection, including, but not limited to, the reasonable fees and expenses of the attorneys at law who may be employed for such purposes, incurred in connection with the protection of or realization of the Mortgaged Property or in connection with any of the Mortgagee's or Bond Insurer's collection efforts, whether or not suit on the Obligations or any foreclosure proceedings are filed.

Section 3.8 Release of Collateral; Mortgagor and Lien Not Released. The Mortgagee with the consent of the Bond Insurer may at any time, and without notice to the Mortgagor, release any part of the Collateral from the effect of this Mortgage, grant an extension or deferment of time for the discharge of any obligation hereunder, permit the substitution and transfer of documents, agreements, and instruments evidencing the Obligations, agree in writing with the Mortgagor or any other Person to modify the terms of payment or performance of the Obligations, including, without limitation, to modify the rate of interest, the period of amortization, or the amount of the installments payable under the Obligations, accept or release other or additional security for the Obligations, reconvey any part of the Collateral, consent to the granting of any easement or servitude affecting the Mortgaged Property, and join in any extension or subordination agreement, in each case without affecting the liability of the Mortgagor hereunder.

Section 3.9 Maximum Amount of Indebtedness. Nothing under this Mortgage shall be construed as limiting the duration of this Mortgage or the purposes for which Mortgagor's Obligations may be requested or extended. The maximum amount of Obligations that may be outstanding at any time and from time to time that this Mortgage secures shall be Five Hundred Million (\$500,000,000) Dollars. This Mortgage is and shall remain effective even though the amount of the Obligations may be reduced to zero, until all of the amounts, liabilities, and obligations, present and future, comprising the Obligations have been incurred and are extinguished and this Mortgage has been released by the Mortgagee as provided in Section 7.1 hereof. The Obligations mature on July 1, 2034.

ARTICLE 4 **REPRESENTATIONS AND WARRANTIES OF MORTGAGOR**

The Mortgagor hereby represents, warrants, covenants, promises, stipulates, and agrees as follows:

Section 4.1 Title. The Mortgagor has good and merchantable title in and to the Collateral free and clear of any and all Liens except the Permitted Encumbrances; the Mortgagor has full power and lawful authority to grant, release, convey, assign, transfer, mortgage, pledge, hypothecate, and otherwise create the Liens on the Collateral as provided herein. The Collateral Mortgaged Property is

accurately, completely, adequately, and sufficiently described herein and in **Exhibit A** attached hereto as required by Laws for this Mortgage to create a Lien on all of the Mortgaged Property.

Section 4.2 First Priority Mortgage. This Mortgage constitutes a valid mortgage and, upon proper recording hereof, will constitute a valid and perfected first mortgage Lien on the Mortgaged Property, and security interest in, the Collateral other than the Mortgaged Property, subject only to the Permitted Encumbrances, and there are no defenses or offsets to the Mortgagor's obligations pursuant to this Mortgage or the Loan Documents to which it is a party, including, without limitation, the applicable obligations to pay and perform the Obligations.

Section 4.3 Location of Offices; Taxpayer Identification Number. The Mortgagor's chief executive office and principal place of business are as set forth in the Mortgagor's appearance clause herein. The Mortgagor's Federal Taxpayer Identification Number is as set forth in the Mortgagor's appearance clause herein.

Section 4.4 Enforceability. The execution and delivery of this Mortgage and any of the Loan Documents to which the Mortgagor is a party will result in valid and legally binding obligations of the Mortgagor enforceable against it in accordance with the respective terms and provisions hereof and thereof.

Section 4.5 Peaceable Possession. The Mortgagor's possession of the Mortgaged Property has been peaceable and undisturbed and, to the best of the Mortgagor's knowledge, the title thereto has never been disputed or questioned, and the Mortgagor does not know of any facts by reason of which any adverse claim to any part of the Mortgaged Property or to any undivided interest therein might be set up or made.

Section 4.6 Taxes. The Mortgagor has not received any notice of any federal, state, or local tax claims or Liens assessed or filed against the Mortgagor or the Collateral for Taxes that are due and payable, unsatisfied of record, or docketed in any court of the state in which the Collateral is located or in any court located in the United States.

Section 4.7 Casualty and Condemnation. The Collateral has not been damaged or destroyed by fire or other casualty, and no condemnation or eminent domain proceedings have been commenced and/or are pending with respect to the Mortgaged Property, and, to the best of the Mortgagor's knowledge, no such condemnation or eminent domain proceedings are about to be commenced.

Section 4.8 No Consents or Approvals. No consent or approval of any trustee or holder of any other obligation of the Mortgagor, and no consent, permission, authorization, order, or license of any Governmental Authority (other than those that have already been obtained and delivered to the Mortgagee and those that are in the process of being obtained and that will be delivered to Mortgagee upon receipt), is necessary in connection with the execution, delivery, and performance of this Mortgage or any of the Loan Documents to which the Mortgagor is a party or any transaction contemplated hereby or thereby.

Section 4.9 No Conflicts. There is no provision of any agreement, written or oral, to which the Mortgagor is a party or under which the Mortgagor is obligated, and no statute, rule, or regulation, or judgment, decree, or order of any Governmental Authority binding on the Mortgagor, that would be contravened by the execution and delivery of this Mortgage or any of the Loan Documents to which the Mortgagor is a party or by the performance of any provision, condition, covenant, or other term hereof or thereof.

Section 4.10 Accordance With Laws and Regulations. The Mortgaged Property is in compliance with all applicable Laws, including, without limitation, Environmental Requirements, all regulations of the U.S. Army Corps of Engineers, and with all applicable building, safety, and fire codes, as well as zoning and subdivision laws and regulations. All environmental impact statements, subdivision maps, drawings, specifications, and reports relating to the Mortgaged Property have been or will be timely prepared and filed with all Governmental Authorities having jurisdiction over such matters and requiring any such submittal.

Section 4.11 No Hazardous Activities. Except as disclosed in the Environmental Reports, the results of which have been provided to the Bond Insurer and the Trustee, (i) none of the Mortgaged Property has ever been used for storage, treatment, or disposal of any Hazardous Materials, (ii) no manufacturing, landfilling, or chemical production has ever occurred on any part of the Mortgaged Property, and (iii) there have never been any underground storage tanks located on any part of the Mortgaged Property.

Section 4.12 No Hazardous Materials. Except as disclosed to and acknowledged by the Mortgagee in writing, the Mortgagor represents and warrants that:

(i) During the period of the Mortgagor's leasehold interest in the Mortgaged Property, there has been no use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any Hazardous Substances by any Person on, under, or about any of the Mortgaged Property and there has been no use, generation, manufacture, storage, treatment or other handling of any Hazardous Substances by any person on, under or about any of the Mortgaged Property in violation of applicable Environmental Requirements; and

(ii) The Mortgagor has no knowledge of or reason to believe that there has been (a) any disposal, release, or threatened release of any Hazardous Substances or violation of Environmental Requirements by any prior owners or occupants of the Mortgaged Property or any other Person or (b) any actual or threatened litigation or claims of any kind by any Person relating to such matters.

Section 4.13 Business Locations. All of the Inventory and the Equipment will be located on the Mortgaged Property. The books and records pertaining to the Collateral will be located at the Mortgaged Property.

Section 4.14 Leases. The Mortgagor is the sole owner of the entire landlord's interests in the Leases; the Mortgagor has not executed any prior assignment of the Ground Lease, the Leases, or the Rentals; no Rentals reserved in the Leases or any of them has been assigned or anticipated, and no Rentals for any period subsequent to the date of this Mortgage has been collected in advance of

the time when the same became due under the terms of the Leases or any of them; the Mortgagor has not executed or granted any modifications to any Lease except as previously disclosed to the Mortgagee; all existing Leases are valid and in full force and effect; there exists no defense, counterclaim, or set-off to the payment of any Rentals under any Lease; there are no defaults or events of default now existing under any of the Leases, and no event has occurred which with the passage of time or the giving of notice, or both, would constitute such a default or event of default.

Section 4.15 Continuing Accuracy. All of the representations and warranties contained in this Article or elsewhere in this Mortgage shall be true through and until the date on which all obligations of Mortgagor under this Mortgage and the Agreement are fully satisfied, and Mortgagor shall promptly notify Mortgagee of any event which would render any of said representations and warranties untrue or misleading.

ARTICLE 5

COVENANTS OF MORTGAGOR

So long as the Obligations or any part thereof remains outstanding or unpaid, the Mortgagor specially covenants, promises, stipulates, and agrees with the Mortgagee as follows:

Section 5.1 Warranty. The Mortgagor shall warrant, preserve, and defend the leasehold interest in and to the Mortgaged Property, including the Facilities, and its interest in and to the remainder of the Collateral and the validity, enforceability, and priority of the Lien of this Mortgage against the claims and demands of all Persons whomsoever, at its sole cost and expense.

Section 5.2 Payment; Performance of Covenants. The Mortgagor shall make prompt payment when due of all amounts owing hereunder as the same become due, without offset, counterclaim, or defense, and shall punctually and properly perform all of the Mortgagor's covenants, duties, agreements, and conditions (i) under this Mortgage and any Loan Document to which the Mortgagor is a party or (ii) imposed upon or assumed by the Mortgagor by virtue of the provisions of any deed, conveyance, lease, agreement, statute, or ordinance pursuant to which the Mortgagor or any predecessor in title of the Collateral acquired the Collateral or any rights or privileges appurtenant thereto or for the benefit thereof.

Section 5.3 Payment of Taxes and Utilities. Subject to the right to contest certain matters with respect to the Collateral pursuant to Section 5.6 hereof and the Agreement, the Mortgagor shall or shall cause the Board to pay all Taxes levied or assessed against the Collateral or any part thereof prior to the date upon which any fine, penalty, interest, or cost may be added thereto or imposed by Laws for the nonpayment thereof. The Mortgagor shall deliver to the Mortgagee, promptly after a request therefor by the Mortgagee, receipted bills or canceled checks evidencing the payment of prior Taxes to the date upon which any fine, penalty, interest, or cost may be added thereto or imposed by Laws for the nonpayment thereof. In the case of any assessment payable in installments, each installment thereof shall be paid prior to or on the date on which such installment becomes due and payable without imposition of any fine, penalty, interest, or cost. The Mortgagor shall not be entitled to any credit on the Obligations, or any other sums that may become payable under the terms hereof, under any Loan Document, or otherwise, by reason of the payment of Taxes.

The Mortgagor shall or shall cause the Board to pay timely all charges for electricity, power, gas, water, and other utilities used in connection with the Collateral, as and when due.

Section 5.4 Other Compliance. Subject to the right to contest certain matters with respect to the Collateral pursuant to Section 5.6 hereof, the Mortgagor itself agrees to or agrees to cause the Board: (1) to perform and comply with or cause the performance and compliance with all covenants, agreements, and restrictions affecting the Collateral and with all Laws, ordinances, acts, rules, regulations, and orders of any Governmental Authority exercising any power of regulation or supervision over the Mortgagor or any part of the Collateral, whether now or hereafter enacted or enforced and whether the same be directed to the ownership, lease and operation of the Mortgaged Property, or the repair, manner of use, or structural alteration of the Mortgaged Property or otherwise, (2) to comply with or to cause compliance with the terms of all insurance policies covering or applicable to the Collateral, all requirements of the issuer of any such policy, and all orders, rules, regulations, and other requirements of or standards recommended by the National and Regional Fire Protection Association (or any other body exercising similar functions) applicable to or affecting the Collateral or any use or condition of the Collateral, and (3) to procure, maintain, and comply or cause the procurement, maintenance and compliance of and with all permits, licenses, approvals, or other authorizations required for any use of the Collateral being made and for the proper erection, installation, operation, and maintenance of the Mortgaged Property and any fixture, equipment, machinery, or appliance in or on the Mortgaged Property, or any portion of the foregoing.

Section 5.5 Payment of Indebtedness and Obligations Pertaining to Collateral. Subject to the right to contest certain matters with respect to the Collateral pursuant to Section 5.6 hereof, the Mortgagor shall cause all indebtedness, claims, encumbrances, and liabilities of any kind or character (including, without limitation, claims for labor, materials, supplies, and rent) incurred in the operation, maintenance, and development of the Collateral to be paid within a reasonable time after same become due and in any event prior to the time any lien caused by such nonpayment would arise by law or contract.

Section 5.6 Contest of Taxes, Indebtedness, and Other Claims. The Mortgagor shall have the right to contest directly or through the Board, at its own expense, by appropriate legal proceedings conducted in good faith and with due diligence, the amount or validity of any Taxes, indebtedness, claims, assessments or encumbrances referred to herein (other than this Mortgage or any Loan Document securing all or any portion of the Obligations), or any of the Laws, ordinances, acts, rules, regulations, orders, licenses, and authorizations referred to herein; provided, however, the Collateral is not placed in imminent danger of being seized or forfeited or the execution of any lien is stayed.

Section 5.7 Insurance Requirements. The Mortgagor agrees to or agrees to cause the Board to insure continuously the Collateral and each and every part and parcel thereof in such amounts and with policies meeting the criteria set forth in the Indenture and the Agreement.

Section 5.8 Preservation and Maintenance of Collateral. Except as otherwise permitted by the express terms of the Loan Documents, the Mortgagor: (i) shall not commit waste; (ii) shall not abandon the Mortgaged Property; (iii) in the event of any damage, injury, or loss to the Collateral, shall restore or repair promptly and in a good and workmanlike manner all or any part of the

Collateral to the substantial equivalent of its condition prior to such damage, injury, or loss or such other condition as the Mortgagee may approve in writing, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair; (iv) shall keep the Collateral in good condition, repair, and working order, ordinary wear and tear excepted and shall not remove or demolish the Collateral without the Mortgagee's prior written consent; (v) shall comply with all applicable Laws, ordinances, regulations, and requirements of any Governmental Authority with jurisdiction over the Collateral; (vi) shall not make any structural alterations to the Collateral without the Mortgagee's or the Bond Insurer's prior written consent; and (vii) shall give notice in writing to the Mortgagee and the Bond Insurer of and, unless otherwise directed in writing by the Mortgagee and the Bond Insurer, appear in and defend any action or proceeding affecting the Collateral, the security or priority of this Mortgage, or the rights or powers of the Mortgagee.

Section 5.9 Environmental Hazards.

1. The Mortgagor shall not: (1) cause or permit the presence, use, generation, manufacture, production, processing, installation, release, escape, spillage, seepage, leakage, dumping, pouring, emptying, emission, discharge, storage (including above-ground and underground storage tanks for petroleum or petroleum products, but excluding small containers of gasoline used for maintenance equipment or similar purposes and in compliance with applicable Environmental Requirements), treatment, management, transportation, handling or the like of any Hazardous Substances on, under, in, or about the Mortgaged Property, or in any way affecting the Mortgaged Property, and that are in violation of applicable Environmental Requirements or could form the basis for any present or future claim, demand, or action seeking cleanup of the Mortgaged Property or imposition of liabilities under Environmental Requirements, or the transportation of any Hazardous Substances to or from the Mortgaged Property in violation of applicable Environmental Requirements; or (2) cause or exacerbate any occurrence or condition on the Mortgaged Property that is or may be in violation of any Environmental Requirements or that could otherwise serve as the basis of liability under any Environmental Requirements. No Hazardous Substances shall be placed on, in, under or about the Mortgaged Property except in strict compliance with applicable Environmental Requirements. No Hazardous Substances shall be disposed of on, in, under or about the Mortgaged Property. The Mortgagor shall not cause or permit the migration of Hazardous Substances from the Mortgaged Property to any other property or onto the Mortgaged Property from any property or area adjacent to the Mortgaged Property. The Mortgagor shall at all times comply with all applicable Environmental Requirements and shall immediately correct any matters discussed in all notices of violations of Environmental Requirements prior to the issuance of any regulatory or judicial order or assessment of any fines. The Mortgagor shall secure compliance by all lessees and sublessees of the Mortgaged Property with its obligations in this Section.

2. The Mortgagor itself agrees to, or agrees to cause the Board, as appropriate, to advise the Mortgagee promptly, in writing, of any notice or other communication, written or oral, from the United States Environmental Protection Agency, the Louisiana Department of Environmental Quality, or any other federal, state, or local Governmental Authority having jurisdiction over the Mortgaged Property with respect to any alleged violation of any

Environmental Requirements or the generation, presence, management, release, escape, spillage, seepage, leakage, dumping, pouring, emptying, treatment, discharge, emission, handling, storage, transportation, disposal, or the like of Hazardous Substances or storage tanks, or any other matter regulated under Environmental Requirements.

3. The Mortgagor itself agrees to, or agrees to cause the Board, as appropriate, promptly to notify the Mortgagee in writing of: (i) any enforcement, cleanup, removal, or other governmental or regulatory action, investigation, notice of violation, or any other proceeding instituted against the Mortgagor or the Mortgaged Property and (ii) any suit, cause of action, or any other claim made or threatened by any third party against the Mortgagor or the Mortgaged Property relating to damage, contribution, cost recovery, compensation, loss, or injury resulting from any Hazardous Substances. The provisions of the preceding sentence shall be in addition to any and all other obligations and liabilities that the Mortgagor may have to the Mortgagee under applicable law.

4. The Mortgagor itself agrees to, or agrees to cause the Board, as appropriate, to promptly take any and all necessary remedial and response actions in response to the presence, storage, use, disposal, transportation, or discharge of any Hazardous Materials on, under, above, or about the Mortgaged Property, any alleged violation of Environmental Requirements that could lead to liability; provided, however, that the Mortgagor shall not take any such remedial or response action or enter into any settlement agreement, consent decree, or other compromise in respect to any claims, proceedings, lawsuits, or actions completed or threatened as a result of any actual or alleged Hazardous Substances on, under, above, or about the Mortgaged Property, or enter into any settlement agreement, consent decree, or other compromise in respect to any claims, proceedings, lawsuits, or actions completed or threatened pursuant to any Environmental Requirements, without, in each case, obtaining the Mortgagee's prior written consent; provided further, however, that the Mortgagee's prior consent shall not be necessary in the event that the presence of Hazardous Substances on, under, above, or about the Mortgaged Property either: (i) poses an immediate threat to the health, safety, or welfare of any individual or (ii) is of such a nature that an immediate remedial response is necessary and it is not possible to obtain the consent prior to undertaking such action. In the event that the Mortgagor undertakes remedial action with respect to any Hazardous Substances on, under, above, or about the Mortgaged Property as set forth in clauses (i) and (ii) above, the Mortgagor shall immediately notify the Mortgagee of any such remedial/response action, and shall conduct and complete, or cause a sublessee to conduct and complete such remedial/response action in compliance with all applicable Environmental Requirements and in accordance with the orders and directives of all federal, state, and local Governmental Authorities having jurisdiction.

5. The Mortgagor shall or shall cause the Board to indemnify, defend, and hold harmless the Mortgagee and the Bond Insurer from and against any and all claims, demands, costs, losses, liabilities (including those based on strict liability), expenses (including reasonable attorneys' fees, whether suit is instituted or not), judgments, fines, penalties, or amounts paid in settlement (collectively, "Losses") incurred by the Mortgagee and/or the Bond Insurer in connection with or as a result of the presence, storage, use, disposal, transportation, discharge, or release or threatened release on, under, from, above, or about the

Mortgaged Property of any Hazardous Substances or any violations of any Environmental Requirements arising out of acts or omissions of the Mortgagor, or the Board, or their agents, tenants, occupants, employees, or contractors. To the extent of such indemnity, Losses indemnified against specifically shall include costs incurred in connection with (i) any investigation or monitoring of site conditions; (ii) any clean up, containment, remediation, removal, or restoration work required or performed by any federal, state, or local Governmental Authority or performed by the Mortgagor, the Board or any other Person because of the presence, storage, use, disposal, transportation, discharge, or release or threatened release of any Hazardous Substances on, in, from, under, or about the Mortgaged Property, and (iii) any claims by third parties for Losses due to the presence, storage, use, disposal, transportation, discharge, or release or threatened release of such Hazardous Substances or the cleanup, containment, remediation, or removal thereof.

6. The indemnity provisions contained in this Section 5.9 shall survive the payment of the Obligations and the cancellation of this Mortgage.

Section 5.10 Notice of Changes. The Mortgagor will not change its name, identity, federal tax identification number or corporate structure in any manner unless it shall have given the Mortgagee and the Bond Insurer at least thirty (30) days' prior written notice thereof. The Mortgagor will not change the location of (i) its chief executive office or chief place of business, or (ii) the locations where it keeps or holds any Collateral or any records relating thereto, from the applicable location described in Section 7.6 hereof unless it shall have given the Mortgagee and the Bond Insurer at least 30 days' prior written notice thereof.

Section 5.11 Filing. The Mortgagor agrees that a carbon, photographic, facsimile, photostatic or other reproduction of this Mortgage or of a financing statement is sufficient as a financing statement. The Mortgagor shall pay all costs of or incidental to the recording or filing of any financing, amendment, continuation, termination or other statements concerning the Collateral.

Section 5.12 Accounts Collection. The Mortgagor shall use its best efforts to cause to be collected from its account debtors, as and when due, any and all amounts owing under or on account of each Account (including, without limitation, Accounts that are delinquent, such Accounts to be collected in accordance with lawful collection procedures) and shall apply forthwith upon receipt thereof all such amounts as are so collected to the outstanding balance of such Account. Subject to the rights of the Mortgagee hereunder, if an Event of Default shall have occurred and be continuing, the Mortgagor may allow as adjustments to amounts owing under its Accounts (i) an extension or renewal of the time or times of payment, or settlement for less than the total unpaid balance, and (ii) a refund or credit due as a result of returned or damaged merchandise, all in accordance with the Mortgagor's ordinary course of business consistent with its historical collection practices and with sound business judgment. The costs and expenses (including, without limitation, attorneys' fees) of collection, whether incurred by the Mortgagor or the Mortgagee, shall be borne by the Mortgagor.

Section 5.13 Instruments. While an Event of Default has occurred and is continuing, the Mortgagor will immediately deliver and pledge to the Mortgagee each instrument evidencing, representing or otherwise arising from an Account or General Intangible, appropriately endorsed to the Mortgagee, provided that so long as no Event of Default shall have occurred and be continuing,

the Mortgagor may refrain from such delivery and may retain possession of, for the purpose of collection in the ordinary course, any such instruments received by it in the ordinary course of business.

Section 5.14 Transfer and Other Liens. The Mortgagor will not sell, lease, transfer, exchange or otherwise dispose of the Collateral or the Proceeds, or any part thereof, and except as otherwise permitted under the Indenture and the Agreement without the prior written consent of the Mortgagee, and will not permit any Lien to attach to the Collateral or the Proceeds, or any part thereof, other than Permitted Liens, except that the Mortgagor may, in the ordinary course of its business and in the absence of an Event of Default, collect its Accounts and General Intangibles.

Section 5.15 Use of Mortgaged Property; Leases. The Mortgagor shall, or shall cause the Board to maintain, preserve, and renew all rights of way, servitudes, grants, privileges, licenses, permits, zoning approvals, and franchises necessary for the use of the Mortgaged Property and shall not, unless required by applicable law or unless the Mortgagee has otherwise agreed in writing, allow changes in the use for which the Mortgaged Property was intended under the Facilities Lease and the Ground Lease. To the extent permitted by law, the Mortgagor shall not permit the Board to initiate or acquiesce in a change in the zoning classification of the Mortgaged Property without the Mortgagee's prior written consent. The Mortgagor will observe and perform all the obligations imposed upon it as landlord under the Leases, if any, and not do or permit to be done anything to impair the security thereof; will exercise any option or election contained in or relating to any of the Leases that the Mortgagee shall require; at the Mortgagee's request, will assign and transfer to the Mortgagee by specific assignment of leases any and all subsequent Leases upon all or any part of the Property or the Facilities; and to execute and deliver at the request of the Mortgagee all such further assurances and assignments in the premises covered by the Leases as the Mortgagee shall from time to time require.

Section 5.16 Additional Provisions Regarding the Ground Lease. (a) The Mortgagor shall pay all rent and other charges required under the Ground Lease as and when the same are due and the Mortgagor shall keep, observe, and perform, or cause to be kept, observed, and performed, all of the other terms, covenants, provisions, and agreements of the Ground Lease on the part of the tenant thereunder to be kept, observed, and performed, and shall not in any manner, cancel, terminate, or surrender, or permit any cancellation, termination, or surrender of the Ground Lease, in whole or in part, or, without the written consent of the Mortgagee, either orally or in writing, modify, amend, or permit any modification or amendment of any of the terms thereof in any respect, and any attempt on the part of the Mortgagor to exercise any such right without such written consent of the Mortgagee shall be null and void ab initio and of no force or effect.

- (b) The Mortgagor shall do, or cause to be done, all things necessary to preserve and keep unimpaired the rights of the Mortgagor as tenant under the Ground Lease and to prevent any default under the Ground Lease or any termination, surrender, cancellation, forfeiture, or impairment thereof, and in the event of the failure of the Mortgagor to make any payment required to be made by the Mortgagor pursuant to the provisions of the Ground Lease or to keep, observe, or perform, or cause to be kept, observed, or performed, any of the terms, covenants, provisions, or agreements of the Ground Lease, the Mortgagor agrees that the Mortgagee may (but shall not be

obligated to) take any action on behalf of the Mortgagor, to make or cause to be kept, observed, or performed any such terms, covenants, provisions, or agreements and to enter upon the Mortgaged Property and take all such action thereof as may be necessary therefor to the end that the rights of the Mortgagor in and to the leasehold estate created by the Ground Lease shall be kept unimpaired and free from default, and all money so expended by the Mortgagee, with interest thereon at the Default Rate from the date of each such expenditure, shall be paid by the Mortgagor to the Mortgagee promptly upon demand by the Mortgagee and shall be added to the Obligations, and the Mortgagee shall have, in addition to any other remedy thereof, the same rights and remedies in the event of non-payment of any such sum by the Mortgagor as in the case of a default by the Mortgagor in the payment of any sums due under the Loan Documents.

- (c) The Mortgagor shall enforce the obligations of the Ground Lessor under the Ground Lease to the end that it may enjoy all of the rights granted to it under the Ground Lease; promptly notify the Mortgagee in writing of any default by the Ground Lessor or by the Mortgagor in the performance or observance of any of the terms, covenants, or conditions on the part of the Ground Lessor or the Mortgagor, as the case may be, to be performed or observed under the Ground Lease; promptly advise the Mortgagee in writing of the occurrences of any of the events of default enumerated in the Ground Lease and of the giving of any notice by the Ground Lessor to the Mortgagor of any default by the Mortgagor in performance or observance of any of the terms, covenants, or conditions of the Ground Lease on the part of the Mortgagor to be performed or observed; and promptly deliver to the Mortgagee a true and complete copy of each such notice. If, pursuant to the Ground Lease, the Ground Lessor shall deliver to the Mortgagee a copy of any notice of default given to the Mortgagor, such notice shall constitute full authority and protection to the Mortgagee for any action taken or omitted to be taken by the Mortgagee in good faith in reliance thereon.
- (d) If any action or proceeding shall be instituted to evict the Mortgagor or to recover possession of the Mortgaged Property or for any other purpose affecting the Ground Lease or this Mortgage, the Mortgagor shall, immediately upon service thereof on or to the Mortgagor, deliver to the Mortgagee a true and complete copy of each petition, summons, complaint, notice of motion, order to show cause and of all other provisions, pleadings, and papers, however designated, served in any such action or proceeding.
- (e) The Mortgagor covenants and agrees that unless the Mortgagee shall otherwise expressly consent in writing, the fee title to the Property and the leasehold estate shall not merge, but shall always remain separate and distinct, notwithstanding the union of said estates either in the Ground Lessor, the Mortgagor, or a third party by purchase or otherwise; and in case the Mortgagor acquires the fee title or any other estate, title, or interest in the Mortgaged Property, this Mortgage shall attach to and cover, and be a lien upon the fee title or such other estate so acquired, and such fee title or other estate shall, without further assignment, mortgage, or conveyance, become and be subject to the lien of and covered by this Mortgage.

- (f) No release or forbearance of any of the Mortgagor's obligations under the Ground Lease, pursuant to the Ground Lease or otherwise, shall release the Mortgagor from any of its obligations under this Mortgage, including its obligation with respect to the payment of rent as provided for in the Ground Lease and the performance of all of the terms, provisions, covenants, conditions, and agreements contained in the Ground Lease to be kept, performed, and complied with by the tenant therein.
- (g) The Mortgagor shall not make any election or give any consent or approval (other than the exercise of a renewal right or extension right or other right conferring a benefit on the Mortgagor, provided that any such action has no adverse effect or consequence to the Mortgagee) for which a right to do so is conferred upon the Mortgagor as tenant under the Ground Lease without the prior written consent of the Mortgagee. In case of any Event of Default under this Mortgage, all such rights, together with the right of termination, cancellation, modification, change, supplement, alteration, or amendment of the Ground Lease, all of which have been assigned for collateral purposes to the Mortgagee, shall vest in and be exercisable solely by the Mortgagee.
- (h) Not more than three hundred sixty (360) and not less than two hundred seventy (270) days before the right of the Mortgagor to exercise any option or right to renew or extend the term of the Ground Lease shall expire, the Mortgagor shall give the Mortgagee written notice specifying the date, term, and manner for which such option or renewal is to be exercised. Within ten (10) days of written demand by the Mortgagee, the Mortgagor shall exercise any such option or renewal which is necessary to extend the term of the Ground Lease beyond the term of this Mortgage or to comply with any law affecting the Mortgagor or the Mortgagee or which is necessary, in the reasonable judgment of the Mortgagee, to preserve the value of the Mortgaged Property intended to be afforded by this Mortgage. The Mortgagor shall promptly provide evidence of such exercise of such option or right to the reasonable satisfaction of the Mortgagee. In the event that the Mortgagor fails to so exercise any such option or right or upon the occurrence of an Event of Default, the Mortgagor hereby agrees and grants to the Mortgagee all right and authority to exercise such option in the name of the Mortgagor or in its own name. Nothing contained herein shall affect or limit any rights of the Mortgagee under the Ground Lease.
- (i) If there shall be filed by or against the Mortgagor a petition under the United States Bankruptcy Code, Title 11 of the United States Code (the "Bankruptcy Code"), then the lien of this Mortgage shall attach to all of the Mortgagor's rights and remedies at any time arising under or pursuant to the Bankruptcy Code, including, but not limited to, §365 thereof. Upon the filing of any petition by or against the Mortgagor under the Bankruptcy Code, the Mortgagor shall immediately provide copies of all pleadings and notices related thereto to the Mortgagee. The Mortgagor unconditionally assigns to the Mortgagee all of the Mortgagor's rights to remain in possession of the Mortgaged Property following the filing of any bankruptcy petition by or against the Mortgagor, and acknowledges that the Mortgagee may file any

pleading in furtherance thereof. This assignment constitutes a present, irrevocable, and unconditional assignment of the foregoing claims, rights, and remedies of the Mortgagor, and shall continue in effect until all of the Obligations shall have been satisfied and discharged in full. Furthermore, the Mortgagor hereby irrevocably constitutes and appoints the Mortgagee as the Mortgagor's attorney-in-fact for the purpose of filing any pleading in the court in which the initial petition was filed or any court to which the action thereon may be removed, transferred, or assigned (the "Bankruptcy Court") that the Mortgagee determines in its sole discretion to protect the Mortgagee's interests in and to the Mortgaged Property, including but not limited to a motion to extend any applicable time period for the filing of any motion related to the assumption of the Ground Lease.

- (i) The Mortgagor shall not, without the prior written consent of the Mortgagee, file any motion or other pleading to reject or otherwise elect to treat the Ground Lease as terminated under §365 of the Bankruptcy Code. Any such motion, pleading, or election made without such prior written consent shall be void ab initio, and this Mortgage may be pled in bar thereof. If the Mortgagor does file such a motion to reject the Ground Lease under §365 of the Bankruptcy Code, the Mortgagor hereby acknowledges and agrees that, unless the Mortgagee consents in writing to such rejection, the Mortgagor may not reject the Ground Lease unless the Mortgagor proves, by a preponderance of the evidence, that the Mortgagor was "insolvent," within the meaning of §101 of the Bankruptcy Code, on the petition filing date. If the Mortgagor, as tenant under the Ground Lease and as debtor under the Bankruptcy Code, shall desire to reject the Ground Lease pursuant to §365 of the Bankruptcy Code, the Mortgagor shall give the Mortgagee not less than thirty (30) days' prior written notice of the date on which the Mortgagor intends to file a motion in or otherwise apply to the Bankruptcy Court for authority to reject the Ground Lease. In such event, the Mortgagee shall have the right, but not the obligation, to serve upon the Mortgagor within such thirty (30) day period a notice stating that the Mortgagee demands that the Mortgagor assume the Ground Lease and assign the Ground Lease to the Mortgagee or the Mortgagee's designee pursuant to §365 of the Bankruptcy Code. If the Mortgagee shall serve upon the Mortgagor the notice described in the preceding sentence, the Mortgagor shall not seek to reject the Ground Lease and shall comply with the demand provided for in the preceding sentence.
- (ii) If the Mortgagor shall desire to assume the Ground Lease, then the Mortgagor shall give the Mortgagee not less than thirty (30) days' prior written notice of the date on which the Mortgagor intends to file a motion in, or otherwise apply to, the Bankruptcy Court for authority to assume the Ground Lease. The Mortgagor shall inform the Mortgagee as a part of such notice whether or not the Mortgagor intends to assign the Ground Lease following assumption thereof. The Mortgagee shall have the right, but not the obligation, to serve upon the Mortgagor within such thirty (30) day period a notice stating that the

Mortgagee demands that the Mortgagor assume the Ground Lease and assign the Ground Lease to the Mortgagee or the Mortgagee's designee pursuant to §365 of the Bankruptcy Code, and such election by the Mortgagee shall be binding upon the Mortgagor. Should the Mortgagor file a motion to assume the Ground Lease, the Mortgagee shall have the sole right to determine what terms and conditions will provide the Mortgagee with "adequate assurance of future performance," within the meaning of §365 of the Bankruptcy Code.

- (j) If there shall be filed by or against the Ground Lessor or any fee owner of the Mortgaged Property a petition under the Bankruptcy Code, the Mortgagor shall, after obtaining knowledge thereof, promptly notify the Mortgagee thereof in writing. The Mortgagor shall promptly deliver to the Mortgagee, following receipt, complete and correct copies of any and all notices, motions, summonses, pleadings, claim forms, applications, and other documents received by the Mortgagor in connection with any such petition and any proceedings relating thereto. In the event of such a bankruptcy filing, the Mortgagee shall have the option, exercisable upon notice from the Mortgagee to the Mortgagor, to conduct and control any such litigation with counsel chosen by the Mortgagee. The Mortgagee may proceed in its own name or in the name of the Mortgagor in connection with any such litigation, and the Mortgagor agrees to execute any and all powers, authorizations, consents, or other documents required by the Mortgagee in connection therewith. The Mortgagor shall, upon demand, pay to the Mortgagee all costs and expenses (including attorneys' and paralegals' fees and expenses) paid or incurred thereby in connection with the prosecution or conduct of any such proceedings. Any such costs or expenses not paid by the Mortgagor as aforesaid shall be secured by the lien of this Mortgage and shall be added to the principal amount of the Obligations. The Mortgagor shall not commence any action, suit, proceeding, or case, or file any application or make any motion, in respect of the Ground Lease in any such case under the Bankruptcy Code without the prior written consent of the Mortgagee. The Mortgagor hereby unconditionally assigns, transfers, and sets over to the Mortgagee all of the Mortgagor's claims and rights to the payment of damages or any claim arising from any rejection of the Ground Lease by the Ground Lessor or any other fee owner of the Mortgaged Property, or the payment of any amount or claim associated with the Ground Lease in any proceeding under the Bankruptcy Code. The Mortgagee shall have the right to proceed in its own name and/or in the name of the Mortgagor in respect of any claim, suit, action, or proceeding relating to the assumption or rejection of the Ground Lease by the Ground Lessor, including, without limitation, the right to file and prosecute, to the exclusion and in the name of the Mortgagor, any proofs of claim, complaints, motions, applications, notices, and other documents, or to defend against any objection thereto, in any case in respect to the Ground Lessor or any fee owner of the Mortgaged Property. This assignment constitutes a present, irrevocable, and unconditional assignment of the foregoing claims, rights, and remedies, and shall continue in effect until all of the Obligations shall have been satisfied and discharged in full. Any amounts received by the Mortgagee as damages arising out of the rejection of the Ground Lease as aforesaid shall be applied first to all costs and expenses of the Mortgagee (including, without limitation, attorneys' and

paralegals' fees and expenses) incurred in connection with the exercise of any of its rights or remedies under this Section. The Mortgagor shall promptly make, execute, acknowledge, and deliver, in form and substance satisfactory to the Mortgagee, a UCC Financing Statement (Form UCC-1), and all such additional instruments, agreements and other documents, as may at any time hereafter be required by the Mortgagee to effectuate and carry out the assignment made pursuant to this Section.

- (k) If the Mortgagor shall seek to offset against the rent reserved in the Ground Lease the amount of any damages caused by the nonperformance by the Ground Lessor or any fee owner of the Mortgaged Property any of its obligations under the Ground Lease after the rejection by the Ground Lessor or any fee owner of the Mortgaged Property under the Bankruptcy Code, the Mortgagor shall, prior to effecting such offset, notify the Mortgagee of its intent to do so, setting forth the amounts proposed to be so offset and the basis therefor. The Mortgagee shall have the right to object to all or any part of such offset that, in the reasonable judgment of the Mortgagee, would constitute a breach of the Ground Lease, and in the event of such objection, the Mortgagor shall not effect any offset of the amounts so objected to by the Mortgagee. Neither the failure of the Mortgagee to object as aforesaid nor any objection relating to such offset shall constitute an approval of any such offset by the Mortgagee. The Mortgagor shall pay and protect the Mortgagee, and indemnify and save the Mortgagee harmless from and against, any and all claims, demands, actions, suits, proceedings, damages, losses, costs, and expenses of every nature whatsoever (including without limitation, attorneys' and paralegals' fees and expenses) arising from or relating to any off-set by the Mortgagor against the rent reserved in the Ground Lease.

Section 5.17 Inspection. The Mortgagee is authorized and empowered to enter, and to authorize its employees, agents, or contractors identified in writing to the Mortgagor and the Board to enter, upon any or all of the Mortgaged Property at any reasonable time and from time to time upon prior notice to the Mortgagor and the Board to inspect the same, to perform or observe any covenants, conditions, or terms that the Mortgagor shall fail to perform, meet, or comply with, to make such repairs, replacements, renewals, or additions as shall be necessary, or for any other purpose in connection with the maintenance, protection, or preservation of the Mortgagee's security, without thereby becoming liable to the Mortgagor, the Board or any Person in possession holding under the Mortgagor. Any inspections performed by or for the Mortgagee shall be performed at times and in a manner so as not to unreasonably interfere with the Mortgagor's business or the operation of the Mortgaged Property. The Mortgagor will keep accurate books and records in which full, true, and correct entries shall be promptly made with respect to the Mortgaged Property and the operation thereof. Any right of access to any portion of the Facilities leased to the students, faculty, staff or Permitted Lessees shall be subject to their rights pursuant to their rental agreements and University policy.

Section 5.18 Negative Covenants. The Mortgagor hereby agrees that, so long as any of the Obligations remains outstanding or unpaid, the Mortgagor shall not, directly or indirectly, without the prior written consent of the Mortgagee:

A. Create, incur, assume, or suffer to exist any indebtedness relating to the Collateral, except the Obligations under this Mortgage and the Permitted Encumbrances, or as otherwise permitted under the Indenture or the Agreement;

B. Create, incur, or place, or permit to be created, incurred, or placed, any Liens on the Collateral, or any part thereof, or any revenues related thereto, except for the Permitted Encumbrances and Liens in favor of the Mortgagee;

C. Convey, sell, lease, assign, transfer, or otherwise dispose of the Collateral, or permit any conveyance, sale, lease, assignment, transfer, or other disposition of the Collateral, except as otherwise permitted under the Indenture and the Agreement.

Section 5.19 Cure of Defects. If the validity or priority of this Mortgage or of any rights or Liens created or evidenced hereby with respect to the Collateral or any part thereof, or the leasehold interest or right of occupancy of the Mortgagor to the Mortgaged Property or any part thereof, shall be endangered or questioned or shall be attacked directly or indirectly, or if any legal proceedings are instituted against the Mortgagor with respect thereto, upon discovery of such actual or alleged defect, the Mortgagor shall give written notice thereof to the Mortgagee promptly, secure the necessary funds and diligently endeavor, with the Board, as necessary, to cure any defect that may be developed or claimed and take all necessary and proper steps for the defense of such legal proceedings, including, but not limited to, the employment of counsel agreeable to the Mortgagee, the prosecution or defense of litigation, and the release or discharge of all adverse claims. The Mortgagee (whether or not named as a party to legal proceedings with respect thereto) is hereby authorized and empowered to take such additional steps as in its judgment and discretion may be necessary or proper for the defense of any such legal proceedings or the protection of the validity or priority of this Mortgage and the Liens created or evidenced hereby, including, but not limited to, the employment of independent counsel, the prosecution or defense of litigation, the compromise or discharge of any adverse claims made with respect to the Collateral, the purchase of any tax title, and the removal of prior Liens or security interests, and all expenses so incurred of every kind and character shall be a demand obligation owing by the Mortgagor to the Mortgagee and shall bear interest from the date of expenditure until paid at a rate equal to the rate provided for in Section 6.12 hereof for Advances to bear, and the same shall be secured by the Lien evidenced by this Mortgage, and the party incurring such expenses shall be subrogated to all rights of the Person receiving such payment.

Section 5.20 Estoppel Certificate. The Mortgagor shall, within ten (10) business days of a written request therefor by the Mortgagee, furnish the Mortgagee with a written statement, duly acknowledged, setting forth the sums secured by this Mortgage and any right of set-off, counterclaim, or other defense that exists against such sums and the obligations under this Mortgage.

Section 5.21 Further Assurances. (a) on the request of Mortgagee, the Mortgagor shall promptly correct (i) any defect, error, or omission that may be discovered in the contents, or in the execution or acknowledgment, of this Mortgage or any Loan Document to which the Mortgagor is a party, and (ii) the Mortgagor itself shall, or shall cause the Board to execute, acknowledge, deliver, record, re-record, file, re-file, register, and re-register any and all such further acts, deeds, conveyances, security agreements, mortgages, assignments, estoppel certificates, financing

statements and continuations thereof, termination statements, notices of assignment, transfers, certificates, assurances, and other instruments as reasonably may be required from time to time in order (A) to carry out more effectively the purposes of this Mortgage and any of the Loan Documents to which the Mortgagor is a party, (B) to more fully identify and subject to the Liens created by this Mortgage any of the properties, rights, or interests required to be encumbered hereby, including, specifically, any additions, substitutions, replacements, or appurtenances to the Collateral, (C) to perfect and maintain the validity, effectiveness, and priority of this Mortgage and the Liens intended to be created hereby and (D) to better assure, convey, grant, assign, transfer, preserve, protect, and confirm to the Mortgagee any of the rights granted or now or hereafter intended by the parties hereto to be granted to the Mortgagee hereunder or under any other instrument or agreement executed in connection herewith. The Mortgagor shall pay, directly or through the Board, all costs connected with any of the foregoing.

(b) Mortgagor hereby authorizes Mortgagee to file one or more financing or continuation statements and other records with respect to all or any part of the Collateral (including any amendments thereto, or continuation or termination statements thereof), without the signature or other authorization of Mortgagor, in such form and in such offices as Mortgagee reasonably determines appropriate, to perfect or maintain the perfection of the security interest of Mortgagee hereunder. Mortgagor acknowledges and agrees that it is not authorized to, and will not, authenticate or file, or authorize the filing of, any financing statements or other record with respect to the Collateral (including any amendments thereto, or continuation or termination statements thereof) except as permitted hereby, without the prior written approval and authorization by the Mortgagee, consenting to the form and substance of such filing or record. Mortgagor approves and ratifies any filing or recording of records made by or on behalf of Mortgagee in connection with the perfection of the security interest in favor of Mortgagee.

ARTICLE 6
EVENTS OF DEFAULT AND REMEDIES

Section 6.1 Events of Default. The occurrence and continuance of any one of the following shall constitute an event of default under this Mortgage (herein referred to as an "Event of Default"):

- (i) the failure to make payment when due of the principal of, premium, if any, and interest on the Bonds and any Additional Bonds hereafter issued under the Indenture;
- (ii) the failure to make payment when due of any amounts owed under this Mortgage or the Agreement;
- (iii) the occurrence of an event of default (other than an event of default described in (i) or (ii) above) under the Indenture, the Agreement or any other Loan Document that is not cured within any applicable grace or cure period contained in such Loan Document;
- (iv) except as provided otherwise in this Mortgage, failure by Mortgagor to observe and perform any of the terms, covenants, or conditions to be observed or performed by Mortgagor contained in this Mortgage (other than those specified in (i) and (ii) above) for

a period of thirty (30) days after written notice, by registered or certified mail, specifying such failure and requesting that it be remedied, given to Mortgagor by Mortgagee, or for such longer period as Mortgagor and Mortgagee may agree to in writing; provided that if the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, such failure shall not constitute an Event of Default so long as Mortgagor institutes curative action within the applicable period and diligently pursues such action to completion;

(v) any representation or warranty of Mortgagor made herein or any representation or warranty made in any of the other Loan Documents or any representation or warranty made in any certificate, document, or financial or other statement furnished at any time under or in connection with this Mortgage or any of the other Loan Documents shall prove to have been incorrect in any material respect on or as of the date made or deemed made;

(vi) (a) the Mortgagor commences any case, proceeding, or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution, or composition of Mortgagor or Mortgagor's debts under any law relating to bankruptcy, reorganization, or relief of debtors, or seeking appointment of a receiver, trustee, custodian, or other similar official for Mortgagor or for all or any substantial part of Mortgagor's property; or (b) any such case, proceeding, or other action is commenced against Mortgagor and such case, proceedings, or other action either results in an order for relief against Mortgagor which is not fully stayed within ten (10) days after the entry thereof, or remains undismissed for a period of sixty (60) days;

(vii) Mortgagor fails to pay its debts as they become due, admits in writing Mortgagor's inability to pay Mortgagor's debts, or makes a general assignment for the benefit of creditors.

(viii) Mortgagor sells, conveys or otherwise transfers or disposes of all or any portion of the Collateral except as otherwise permitted herein or grants any mortgage or security interest affecting all or any portion of the Collateral, or permits any Lien against all or any portion of the Collateral, except as permitted by the terms of this Mortgage; or

(ix) A writ or warrant of executory process, fieri facias, attachment or any similar process shall be issued by any court against the Collateral, and such writ or warrant is not released or bonded within thirty (30) days after its entry.

Section 6.2 Remedies. Upon the occurrence of an Event of Default under this Mortgage and in addition to any other remedy Mortgagee may have under this Mortgage, or any of the other Loan Documents, Mortgagee may, subject to the provisions of Section 6.18 hereof, declare all sums secured by this Mortgage (including without limitation the Obligations) immediately due and payable without presentment, demand, protest, notice of protest or dishonor, or other notice of default of any kind, all of which are hereby expressly waived by the Mortgagor. In addition to the foregoing, upon the occurrence of any Event of Default, the Mortgagee may, subject to the provisions of Section 6.18 hereof, take such action, without notice or demand or putting in default

(all of which are hereby expressly waived by the Mortgagor), as it deems advisable to protect and enforce its rights against the Mortgagor and in and to the Collateral, including, but not limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as the Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of the Mortgagee:

- (1) institute proceedings for the complete foreclosure of this Mortgage, in which case the Collateral may be sold for cash or upon credit in one or more parcels under ordinary or executory process, at the Mortgagee's sole option, and with or without appraisal, appraisal being expressly waived; or
- (2) to the extent permitted and pursuant to the procedures provided by applicable law, institute proceedings for the partial foreclosure of this Mortgage for the portion of the Obligations then due and payable, subject to the continuing lien of this Mortgage for the balance of the Obligations not then due; or
- (3) institute an action, suit, or proceeding in equity for the specific performance of any covenant, condition, or agreement contained in this Mortgage or any Loan Document; or
- (4) apply for the appointment of a trustee, receiver, liquidator, or conservator of the Collateral, without regard for the adequacy of the security for the Obligations and without regard for the solvency of the Mortgagor or of any Person liable for the payment of the Obligations; or
- (5) pursue such other remedies as the Mortgagee may have under applicable law, in equity, by virtue of any other security instrument, or otherwise.

The proceeds or avails of any sale made under or by virtue of this Article 6, together with any other sums that then may be held by the Mortgagee under this Mortgage, whether under the provisions of this Article 6 or otherwise, shall be applied in such manner as the Mortgagee, in its sole discretion, shall determine.

Upon any sale made under or by virtue of this Article 6, the Mortgagee may bid for and acquire the Collateral or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the Obligations the net sales price after deducting therefrom the expenses of the sale and the costs of the action and any other sums which the Mortgagee is authorized to deduct under this Mortgage.

The Mortgagee may proceed under this Mortgage solely as to the immovable property interests, or solely as to the movable property interests, or as to both the immovable and movable property interests in accordance with its rights and remedies in respect of the immovable property interests.

Notwithstanding anything to the contrary in this Mortgage, any purchaser of the Mortgaged Property pursuant to a foreclosure sale under this Mortgage or a deed in lieu of foreclosure shall purchase said Mortgaged Property subject and subordinate to the ownership rights of the Board and

shall be subject in all respects to the provisions of the Ground Lease. Such purchaser shall have no additional right to grant any mortgage or other lien on the Mortgaged Property or to sell, lease or otherwise alienate the Mortgaged Property without the prior written consent of the Board.

Section 6.3 Leases and Rentals. Upon the occurrence and continuation of any Event of Default, the Mortgagee may additionally take any one or more of the following actions; each of which may be pursued concurrently or otherwise, at such time and in such order as the Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of the Mortgagee:

(i) The Mortgagee may notify any and all Tenants to pay all Rentals due thereafter directly to the Mortgagee at the address set forth in the Mortgagee's notice to such Tenants. The Mortgagor irrevocably agrees that all such Tenants shall be authorized to pay the Rentals directly to the Mortgagee without liability of such Tenants for the determination of the actual existence of any default by the Mortgagor claimed by the Mortgagee. Tenants shall be expressly relieved of any and all duty, liability and obligation to the Mortgagor in connection with any and all Rentals so paid.

(ii) The Mortgagee may enter upon and take possession of the Mortgaged Property, to manage and operate the Mortgaged Property and the Mortgagor's business on the Mortgaged Property, and take possession of and use all books of account and financial records of the Mortgagor and its property managers or representatives, if any, relating to the Mortgaged Property.

(iii) The Mortgagee may alter, modify, amend, terminate or permit the surrender of any or all Leases, except for leases pursuant to Section 13 of the Facilities Lease to students, faculty, staff or Permitted Sublessees (as defined in the Ground Lease) who are not themselves in default under their Leases, and the Mortgagee may execute new Leases of any part of the Mortgaged Property, including Leases that extend beyond the maturity date of the Agreement.

The enforcement of any and all such rights available to the Mortgagee hereunder shall continue for so long as the Mortgagee shall elect, until the collection and application of the Rentals have cured the Event of Default and all sums owed by Mortgagor to any person in connection with the enforcement of its remedies in connection with such Event of Default have been paid, in which event, the Mortgagee shall permit the Mortgagor to re-enter and take possession of the Mortgaged Property or any part thereof and to perform all acts necessary for the operation and maintenance of the Mortgaged Property, including the right to collect the Rentals, but the Mortgagee shall nevertheless have the right, effective upon written notice, to demand, sue for possession of and collect the Rentals under the Leases and otherwise exercise its rights under this Mortgage again if there occurs another Event of Default hereunder.

Section 6.4 General Authority. The Mortgagor hereby irrevocably appoints the Mortgagee its agent and attorney in fact, with full power of substitution, in the name of the Mortgagor or the Mortgagee, for the sole use and benefit of the Mortgagee, but at the Mortgagor's expense, to exercise, at any time and from time to time while an Event of Default has occurred and is continuing, all or any of the following powers with respect to all or any of the Collateral and the Proceeds:

(i) to endorse the name of the Mortgagor upon any check, draft, Agreement or other instrument payable to the Mortgagor evidencing payment upon any Accounts or General Intangible;

(ii) to notify postal service authorities to change the address for delivery of the Mortgagor's mail to a "lockbox" address designated and controlled by the Mortgagee, and to receive, open and dispose of all mail addressed to the Mortgagor;

(iii) to demand, sue for, collect, receive and give acquittance for any and all Accounts and other monies due or to become due for or as Collateral (or Proceeds) or by virtue thereof;

(iv) to settle, compromise, compound, prosecute or defend any action or proceeding with respect to any of the Collateral and the Proceeds; and

(v) to extend the time of payment of any or all of the Collateral and the Proceeds and to make any allowance and other adjustments with reference thereto.

The aforesaid mandate and power of attorney, being coupled with an interest, is irrevocable so long as any of the Obligations remains outstanding.

Section 6.5 Accounts. While an Event of Default has occurred and is continuing, the Mortgagor will make no material change to the terms of any Account without the prior written permission of the Mortgagee. Upon the occurrence of an Event of Default, and at any time thereafter, the Mortgagor upon request of the Mortgagee will promptly notify (and the Mortgagor hereby authorizes the Mortgagee so to notify) each account debtor in respect of any Account or General Intangible that such Collateral has been assigned to the Mortgagee hereunder, and that any payments due or to become due in respect of such Collateral are to be made directly to the Mortgagee or its designee.

Section 6.6 Sale. Upon the occurrence of an Event of Default, the Mortgagee may exercise all rights of a secured party under the Commercial Laws and other applicable law and, in addition, the Mortgagee may, without being required to give any notice, except as herein provided or as may be required by mandatory provisions of law, (i) withdraw all cash in its possession and apply such cash then held by it as Collateral or Proceeds against the Obligations or (ii) sell the Collateral and the Proceeds or any part thereof at public or private sale, for cash, upon credit or for future delivery, and at such price or prices as the Mortgagee may deem satisfactory. The Mortgagee may be the purchaser of any or all of the Collateral and Proceeds so sold at any public sale (or, if the Collateral and Proceeds is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, at any private sale). The Mortgagor will execute and deliver such documents and take such other action as the Mortgagee deems necessary or advisable in order that any such sale may be made in compliance with law. Upon any such sale the Mortgagee shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral and Proceeds so sold. Each purchaser at any such sale shall hold the Collateral and Proceeds so sold to it absolutely and free from any claim or right of whatsoever kind, including any equity or right of redemption of the Mortgagor which may be waived, and the Mortgagor, to the extent permitted by law, hereby specifically waives all rights of redemption, stay of appraisal which it has or may have

under any law now existing or hereafter adopted; provided, however, that such purchaser shall be subject in all respects to the provisions of the Ground Lease. The Mortgagor agrees that twenty (20) days' prior written notice of the time and place of any sale or other intended disposition of any of the Collateral and Proceeds constitutes "reasonable notification" within the meaning of Section 9-611(b) of the UCC, except that shorter or no notice shall be reasonable as to any Collateral and Proceeds that is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market. The notice (if any) of such sale shall (1) in case of a public sale, state the time and place fixed for such sale, and (2) in the case of a private sale, state the day after which such sale may be consummated. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Mortgagee may fix in the notice of such sale. At any such sale the Collateral and Proceeds may be sold in one lot as an entirety or in separate parcels or portions, as the Mortgagee may determine. The Mortgagee shall not be obligated to make any such sale pursuant to any such notice. The Mortgagee may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. In case of any sale of all or any part of the Collateral and Proceeds on credit or for future delivery, the Collateral or Proceeds so sold may be retained by the Mortgagee until the selling price is paid by the purchaser thereof, but the Mortgagee shall not incur any liability in case of the failure of such purchaser to take up and pay for the Collateral and Proceeds so sold and, in case of any such failure, such Collateral and Proceeds may again be sold upon like notice.

Section 6.7 Assemble Collateral. For the purpose of enforcing any and all rights and remedies under this Agreement the Mortgagee may: (i) require the Mortgagor to, and the Mortgagor agrees that it will, at its expense and upon the request of the Mortgagee, forthwith assemble all or any part of the Collateral (other than the Mortgaged Property) and Proceeds as directed by the Mortgagee and make it available at a place designated by the Mortgagee which is, in its opinion, reasonably convenient to the Mortgagee and the Mortgagor, whether at the Mortgaged Property of the Mortgagor or otherwise, and Mortgagee shall be entitled to specific performance of this obligation; (ii) to the extent permitted by applicable law of this or any other state, enter, with or without process of law and without breach of the peace, any premises where any of the Collateral or Proceeds is or may be located, and, without charge or liability, to it seize and remove such Collateral or Proceeds from such premises; (iii) have access to and use the Mortgagor's books and records relating to the Collateral and Proceeds and (iv) prior to the disposition of the Collateral and Proceeds, store or transfer it without charge in or by means of any storage or transportation facility owned or leased by the Mortgagor, process, repair or recondition it or otherwise prepare it for disposition in any manner and to the extent the Mortgagee deems appropriate and, in connection with such preparation and disposition, use without charge any trademark, trade name, copyright, patent or technical process used by the Mortgagor.

Section 6.8 Limitation on Duty of Mortgagee. Beyond the exercise of reasonable care in the custody thereof, the Mortgagee shall have no duty as to any Collateral or Proceeds in its possession or control or in the possession or control of any agent or bailee or any income thereon. The Mortgagee shall be deemed to have exercised reasonable care in the custody of the Collateral and Proceeds in its possession if the Collateral and Proceeds is accorded treatment substantially equal to that which it accords its own property, and shall not be liable or responsible for any loss or damage to any of the Collateral or Proceeds, or for any diminution in the value thereof, by reason of

the act or omission of any warehouseman, carrier, forwarding agency, consignee or other agent or bailee selected by the Mortgagee in good faith. The Mortgagor agrees that the Mortgagee shall not be obligated to preserve rights against prior parties obligated on any instruments.

Section 6.9 Appointment of Agent. At any time or times, in order to comply with any legal requirement in any jurisdiction, the Mortgagee may appoint a bank or trust company or one or more other Persons with such power and authority as may be necessary for the effectual operation of the provisions hereof and may be specified in the instrument of appointment.

Section 6.10 Set-Off. Upon the occurrence of any Event of Default, the Mortgagee shall have the right to set-off any revenues of the Mortgagor in the possession of the Mortgagee against any amounts then due by the Mortgagor to the Mortgagee pursuant to the Mortgage.

Section 6.11 Release of Property. The Mortgagee may at any time and without notice to the Mortgagor, release any part of the Collateral from the effect of this Mortgage, or grant an extension or deferment of time for the discharge of any obligation hereunder, without affecting the liability of the Mortgagor hereunder.

Section 6.12 Advances by Mortgagee. The Mortgagor authorizes the Mortgagee in the Mortgagee's discretion to advance any sums necessary for the purpose of paying: (i) insurance premiums; (ii) any and all excise, property, sales, use and other taxes, forced contributions, service charges, local assessments and governmental charges on any of the Collateral; (iii) any Liens affecting the Collateral (whether superior or subordinate to the lien of this Mortgage) not permitted by this Mortgage; (iv) necessary repairs and maintenance expenses; or (v) any other amounts which the Mortgagee deems necessary and appropriate to preserve the validity and ranking of this Mortgage, to cure any Defaults or to prevent the occurrence of any Default (collectively, the "Advances") of whatever kind; provided, however, that nothing herein contained shall be construed as making such Advances obligatory upon Mortgagee, or as making Mortgagee liable for any loss, damage, or injury resulting from the nonpayment thereof. The Mortgagor covenants and agrees that within five (5) days after demand therefor by the Mortgagee, the Mortgagor will repay the Advances to Mortgagee, together with interest thereon at the rate of eighteen (18%) percent per annum, and in addition to repay any other reasonable costs, attorneys' fees and expenses, charges and expenses of any and every kind for the full protection and preservation of the Collateral or this Mortgage, including payments required in respect to any Lien affecting the Collateral, together with interest thereon at the rate of eighteen (18%) percent per annum. All such Advances and amounts (including interest) shall be included in the Obligations secured hereby (subject to the maximum amount of the Obligations set forth above in this Mortgage).

Section 6.13 Authentic Evidence. Any and all declarations of facts made by authentic act before a notary public in the presence of two witnesses by a person declaring that such facts lie within his knowledge shall constitute authentic evidence of such facts for the purpose of executory process. The Mortgagor specifically agrees that such an affidavit by a representative of the Mortgagee as to the existence, amount, terms and maturity of the Obligations and of a default thereunder shall constitute authentic evidence of such facts for the purpose of executory process.

Section 6.14 Keeper. In connection with each and all of the foregoing and acting pursuant to the authority granted under Louisiana Revised Statutes 9:5136-5140.2, as the same may hereafter be amended or supplemented, the Mortgagor and the Mortgagee hereby expressly designate the Mortgagee, or any agent, servant, employee, or other Person named by the Mortgagee, as "keeper" of each and all of the Collateral pending the judicial sale thereof, with all the powers set forth in said statutes (as hereafter amended), including the right to employ agents to operate the Collateral. All reasonable costs, expenses, and liabilities of every character incurred by the Mortgagee or any such other Person as keeper in connection with managing, operating, maintaining, and possessing the Collateral shall constitute a demand obligation owing by the Mortgagor to the Mortgagee, and shall draw interest from date of expenditure until paid at the rate provided in Section 6.123 hereof for Advances to bear. All of such costs, expenses, and liabilities shall constitute a portion of the Obligations secured by this Mortgage. The keeper shall be entitled to receive as compensation, in excess of such costs, expenses, and liabilities, a reasonable amount to be fixed by the court based upon the keeper's activities and the amounts expended in connection with the management, operation, and maintenance of the Collateral. The designation of keeper made herein shall not be deemed to require the Mortgagee to provoke the appointment of such a keeper.

Section 6.15 Certain Waivers. The Mortgagor hereby expressly waives any and all homestead exemptions and other exemptions to which the Mortgagor is or may be entitled under the Constitution and the laws and statutes of the State of Louisiana insofar as the Collateral is concerned. The Mortgagor further waives to the extent permitted by law: (i) the benefit of appraisal provided for in Articles 2332, 2336, 2723, and 2724 of the Louisiana Code of Civil Procedure, and all other laws conferring the same; (ii) the demand and three (3) days delay provided for in Articles 2639 and 2721 of the Louisiana Code of Civil Procedure; (iii) the notice of seizure provided for in Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (iv) the three (3) days delay provided for in Articles 2331 and 2722 of the Louisiana Code of Civil Procedure; and (v) other benefits provided in Articles 2331, 2722, and 2723 of the Louisiana Code of Civil Procedure.

Section 6.16 Waiver of Marshaling. Notwithstanding the existence of any other security interest in the Collateral held by the Mortgagee or by any other party, the Mortgagee shall have the right to determine the order in which any or all of the Collateral shall be subjected to the remedies provided in this Mortgage. The Mortgagor, any party who consents to this Mortgage, and any party who has actual or constructive notice of this Mortgage waive all right to require the marshaling of assets in connection with the exercise of any of the remedies permitted by law or provided in this Mortgage.

Section 6.17 Rights and Remedies Cumulative. All rights and remedies herein given to the Mortgagee shall be cumulative and in addition to every other right and remedy herein specifically given and now or hereafter existing; and each and every right and remedy, whether specifically given or otherwise existing, may be exercised from time to time and so often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of any such right or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right or remedy. No delay or omission by the Mortgagee in the exercise of any right or remedy shall impair any such right or remedy or operate as a waiver of any other right or remedy then or thereafter existing.

Section 6.18 Rights of Bond Insurer. So long as the Bond Insurer insures any of Bonds and is not in default under the terms of the Bond Insurance Policy, the Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Mortgagee pursuant to this Mortgage. Without limiting the immediately preceding sentence, the Mortgagor agrees that any provision herein granting the Mortgagee any rights, including, without limitation, the (i) right to receive or give any notice, (ii) the right to receive any reports, certifications or other information required to be delivered or disseminated hereunder, (iii) the right to give any consent or approval or make any election, (iv) the right to receive any indemnification, insurance coverage or reimbursement, (v) the right to cure any Event of Default or other failure in performance, or (vi) the right to receive any other benefit afforded to the Mortgagee under this Mortgage, shall also hereby grant to the Bond Insurer the same such rights. All notices to the Bond Insurer shall be sent to MBIA Insurance Corporation, The TransAmerica Pyramid, 150 California Street, 20th Floor, San Francisco, CA 94111, and any consent or approval by the Bond Insurer shall be effective only if in writing.

ARTICLE 7 MISCELLANEOUS

Section 7.1 Release of Mortgage. The Mortgage will remain in effect until: (a) all of the Obligations are fully paid and satisfied and there is no agreement or commitment to advance any additional indebtedness; and (b) Mortgagor cancels this Mortgage by filing a written cancellation instrument signed by Mortgagee. When all of the Obligations are fully paid and satisfied and there is no agreement or commitment to advance any additional indebtedness, Mortgagor may request Mortgagee to sign such a written cancellation instrument by writing Mortgagee at the above address or at such other address as Mortgagee may advise. Mortgagee may delay providing Mortgagor with such a mortgage cancellation instrument for a period of sixty (60) days following receipt of Mortgagor's written request to verify that all conditions precedent for mortgage cancellation have been satisfied.

Section 7.2 Waivers. Any and all covenants in this Mortgage may from time to time, by instrument in writing signed by the Mortgagee and delivered to the Mortgagor, be waived to such extent and in such manner as the Mortgagee may desire, but no such waiver shall ever affect or impair the Mortgagee's rights or Liens hereunder, except to the extent specifically stated in such written instrument.

Section 7.3 Authentic Evidence. Any and all declarations of fact made by authentic act before a Notary Public in the presence of two witnesses by any Person declaring such facts lie within his knowledge shall constitute authentic evidence of such facts for the purpose of executory process.

Section 7.4 No Waiver. No forbearance on the part of the Mortgagee and no extension of the time for the payment of the Obligations given by the Mortgagee shall operate to release, discharge, modify, change, or affect, in whole or in part, the liability of the Mortgagor hereunder or for the payment of the Obligations or performance of the obligations secured hereby or the liability of any other Person hereunder or for the payment of the Obligations.

Section 7.5 Severability. A determination that any provision of this Mortgage is unenforceable or invalid in any jurisdiction shall not affect the enforceability or validity of such

(4) any manner of application of the Collateral, or proceeds thereof, to all or any of the obligations of the Mortgagor under the Loan Documents, or any manner of sale or other disposition of any of the Collateral for all or any of such obligations.

Section 7.9 Interpretation. It is acknowledged and agreed that, in the preparation of this Mortgage, indistinguishable contributions were made by representatives of both the Mortgagor and the Mortgagee and that the Mortgagor and the Mortgagee each waives any and all rights, both in law or in equity, to have the provisions of this Mortgage or any part thereof interpreted in favor of one over the other based upon a claim that representatives of one or the other were the principal draftsman of such document.

Section 7.10 Conflicts between Loan Documents. In the event that any of the Collateral hereunder is also subject to a valid and enforceable Lien under the terms of any Loan Document and the terms of such other Loan Document are inconsistent in any respect with the terms of this Mortgage, then with respect to all Collateral that is also subject to such other Loan Document, the terms that are most restrictive or, in the case of equally restrictive terms, the terms that are most specific shall be controlling; provided, however, that if any provision of either document is unenforceable with respect to any item of Collateral subject thereto, then the provision of the document that is enforceable with respect to such Collateral shall be controlling.

Section 7.11 Multiple Originals. This Mortgage may be executed in multiple originals, all of which such multiple originals together shall constitute one and the same mortgage.

Section 7.12 Binding Effect. This Mortgage is binding upon the Mortgagor and the Mortgagee and their respective successors and assigns, and shall inure to the benefit of the Mortgagee and its successors and assigns. The benefit of this Mortgage shall pass automatically with any assignment of the Obligations (or any portion thereof) to the extent of such assignment.

Section 7.13 Waiver of Certificates. The parties hereto expressly waive the production of conveyance, mortgage, or tax certificates and hereby relieve and release me, Notary, and my official surety and agree to hold me and said surety harmless from and by reason of the failure to procure and attach same to this Mortgage.

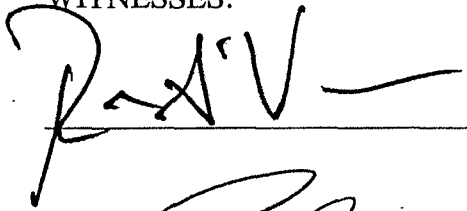
Section 7.14 Governing Law. This Mortgage and all matters relating or pertaining hereto shall be governed by and construed in accordance with the laws of the State of Louisiana.


Section 7.15 No Recourse Against Mortgagor. Mortgagee shall not look to Mortgagor or any principal of Mortgagor with respect to the Obligations. In enforcing its rights and remedies under this Mortgage, Mortgagee shall look solely to the Collateral for the payment of the Obligations secured hereby and for the performance of the provisions hereof. Mortgagee shall not seek a deficiency or other money judgment against Mortgagor or any principal of Mortgagor and shall not institute any separate action against Mortgagor by reason of any default which may occur in the performance of any term or condition of this Mortgage or the Obligations. This agreement by Mortgagee shall not be construed in any way so as to affect or impair the lien of this Mortgage or Mortgagee's right to foreclose hereunder as provided by law, or to limit or restrict any of Mortgagee's

rights or remedies in any foreclosure proceedings or other enforcement of payment of the indebtedness secured hereby out of and from the security given therefor.

THUS DONE AND PASSED in the place and on the day, month, and year first above written in the presence of the undersigned competent witnesses, who hereunto sign their names with the Mortgagor and me, Notary, after due reading of the whole.

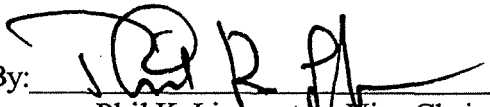
WITNESSES:





MORTGAGOR:

UNIVERSITY FACILITIES, INC.

By: 

Phil K. Livingston, Vice Chairperson



NOTARY PUBLIC

EXHIBIT "A"

LEGAL DESCRIPTIONS

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (0.46 Acre Tract - Cardinal Newman Hall):

A certain tract or parcel of land containing 0.46 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Beginning at the Southwest corner of the intersection of the sidewalks adjacent to the southernmost intersection of Pine Street & Dakota Street; thence South 14°46'47" West 144.30 feet; thence South 75°18'43" West 138.12 feet; thence North 14°44'13" West 144.28 feet; thence North 75°18'13" West 138.02 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 0.46 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46'03" West 240.96 feet to the Point of Beginning;

thence North 00°14'06" West 278.02 feet; thence North 89°50'08" East 252.70 feet; thence South 00°08'03" East 181.58 feet; thence South 89°48'33" West 39.94 feet; thence South 00°21'03" West 96.15 feet; thence South 89°49'36" West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey

Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land
Situating in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana”
prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

**STATE OF LOUISIANA
UNIFORM COMMERCIAL CODE - FINANCING STATEMENT
UCC-1**

Important - Read instructions before filing out form.

Follow instructions carefully.

1. Debtor's exact full legal name - insert only one debtor name (1a or 1b) - do not abbreviate or combine names.

| | | | | |
|---|--|---------------------------------------|--------------------|--|
| OR 1a Organization's Name University Facilities, Inc. | | | | |
| 1b Individual's Last Name (and Title of Lineage (e.g. Jr. Sr., III, if applicable)) | | First Name | Middle Name | |
| 1c Mailing Address SLU Box 10709 | | City Hammond | State LA | Postal Code 70402 |
| Country USA | | 1e Type of Organization Non-Profit | | 1f Jurisdiction of Organization LA |
| 1d Tax ID #: SSN or EIN 72-1417328 | | Add'l info re Organization Debtor: | | 1g Organizational ID # if any <input type="checkbox"/> None |

2. Additional debtor's exact full legal name - insert only one debtor name (2a or 2b) - do not abbreviate or combine names.

| | | | | |
|---|--|------------------------------------|-------------|---|
| OR 2a Organization's Name | | | | |
| 2b Individual's Last Name (and Title of Lineage (e.g. Jr., Sr. III), if applicable) | | First Name | Middle Name | |
| 2c Mailing Address | | City | State | Postal Code |
| Country | | 2e Type of Organization | | 2f Jurisdiction of Organization |
| 2d Tax ID #: SSN or EIN | | Add'l info re Organization Debtor: | | 2g Organizational ID #, if any <input type="checkbox"/> None |

3. Secured Party's Name (or Name of Total Assignee of Assignor S/P) - insert only one secured party name (3a or 3b)

| | | | | |
|--|--|-----------------------------|--------------------|---------------------------------|
| OR 3a Organization's Name The Bank of New York Trust Company, N.A. | | | | |
| 3b Individual's Last Name (and Title of Lineage (e.g. Jr., Sr., III), if applicable) | | First Name | Middle Name | |
| 3c Mailing Address 10161 Centurion Parkway | | City Jacksonville | State FL | Postal Code 32256 |
| Country USA | | 2e Type of Organization | | 2f Jurisdiction of Organization |

4. This FINANCING STATEMENT covers the following collateral:
SEE ATTACHED EXHIBIT A FOR COLLATERAL DESCRIPTION
SEE ATTACHED EXHIBIT B FOR LEGAL DESCRIPTION OF PROPERTY

5a Check if applicable and attach legal description of real property: Fixture filing As-extracted collateral Standing timber constituting goods
 The debtor(s) do not have an interest of record in the real property (Enter name of an owner of record in 5b)

5b Owner of real property (if other than named debtor) **Board of Supervisors for the University of Louisiana System**

6a Check only if applicable and check only one box
 Debtor is a Transmitting Utility. Filing is Effective Until Terminated
 Filed in connection with a public finance transaction. Filing is effective for 30 years

6b Check only if applicable and check only one box
 Debtor is a Trust or Trustee acting with respect to property held in trust or Decedent's Estate

7. ALTERNATIVE DESIGNATION (if applicable):
 CONSIGNEE/CONSIGNOR AG. LIEN
 SELLER/BUYER LESSEE/LESSOR
 BAILEE/BAILOR NON-UCC-FILING

8. Name and Phone Number to contact filer
Michael C. Herbert (225) 248-2042

9. Acknowledgment To: (Name and Address)
Jones, Walker, Waechter, Poitevent, Carrere & Denegre, L.L.P.
8555 United Plaza Blvd., 5th Floor
Baton Rouge, Louisiana 70809
ATTN: Michael C. Herbert

10. The space below is for Filing Office Use Only

53-355-79
 JULIANE HERRON
 CLERK OF COURT
 TARRANT COUNTY, TEXAS
 2004 AUG 13 PM 2:29
 DY. CLERK OF COURT

11. CHECK TO REQUEST SEARCH REPORT(S) ON DEBTORS (ADDITIONAL FEE REQUIRED) ALL DEBTORS DEBTOR1 DEBTOR2

EXHIBIT A

Certain defined words and terms shall have the meaning given them in the Act of Mortgage, Assignment of Leases and Security Agreement dated August 13, 2004 and the Assignment of Agreements and Documents dated as of August 1, 2004, by University Facilities, Inc. (the "Mortgagor"). The UCC-1 Financing Statement attached hereto covers the following collateral:

I.

- (i) All Accounts and all purchase orders for goods, services or other property and other documents, and all returned, rejected or repossessed goods, the sale or lease of which gave rise to an Account;
- (ii) all Inventory;
- (iii) all Equipment;
- (iv) all General Intangibles;
- (v) other moneys and property of any kind of the Mortgagor in the possession or under the control of the Mortgagee derived from the operation of the Facilities;
- (vi) all rights of the Mortgagor now or hereafter existing in and to all security agreements, guaranties, leases and other contracts securing or otherwise relating to the Collateral;
- (vii) all agreements, including vendor warranties, running to Mortgagor or assigned to Mortgagor, to which Mortgagor may be or become a party to relating to the renovation, construction or operation of the Facilities or any part thereof, or relating to the maintenance, improvement, operation or acquisition of the Facilities or any part thereof, or transport of material, equipment and other parts of the Facilities or any part thereof or any other lease or sublease agreements or easement agreements relating to the Facilities or any part thereof or any ancillary facilities to which Mortgagor is or becomes a party, and all amendments, supplements, substitutions and renewals to any of the foregoing (each an "Assigned Agreement" and collectively, the "Assigned Agreements");
- (viii) all permits relating to the Facilities, but excluding any permits which by their terms or by operation of law prohibit or do not allow assignment or which would become void solely by virtue of a security interest being granted therein;

- (ix) all other personal property and fixtures of Mortgagor relating to the Facilities, whether now owned or existing or hereafter acquired or arising, or in which Mortgagor may have an interest, and wheresoever located, whether or not of a type which may be subject to a security interest under the Commercial Laws, including without limitation all machinery, tools, generators, transformers, pumps, filters, membranes, water storage tanks, control equipment, appliances, mechanical and electrical systems, elevators, lighting, alarm systems, fire control systems, furnishings, furniture, as-extracted collateral, equipment, service equipment, motor vehicles, building or maintenance equipment, building or maintenance materials, pipes, pipelines and pipeline supplies (including valves and fittings), goods and property covered by any warehouse receipts or bills of lading or other such documents, spare parts, maps, plans, specifications, architectural, engineering, construction or shop drawings, manuals or similar documents, copyrights, trademarks and trade names, and any replacements, renewals or substitutions for any of the foregoing or additional tangible or intangible personal property hereafter acquired by Mortgagor;
- (x) all goods, investment securities, investment property, contracts (including the Loan Documents), commercial tort claims, letters of credit, letter of credit rights, payment intangibles, software, intellectual property rights supporting obligations, documents, deposit accounts, chattel paper (including tangible and electronic chattel paper) and as-extracted Collateral relating to the Facilities;
- (xi) all books and records (including, without limitation, customer lists, credit files, computer programs, tapes, disks, punch cards, data processing software, transaction files, master files, printouts and other computer materials and records) of the Mortgagor pertaining to any of the foregoing; and
- (xii) all Proceeds and products of all or any of the Collateral described in clauses (i) through (xi) hereof.

II.

- (i) that certain Development Agreement dated as of August 1, 2004, between the Corporation, as owner, and Capstone Development Corporation, as developer, pursuant to which the Developer has agreed to design and build the Facilities, and any amendments thereof and/or supplements thereto;
- (ii) that certain Collateral Assignment of even date herewith from the Developer to the Corporation;

(iii) all those other contracts and/or agreements between the Corporation and any person or firm rendering services or supplying material in connection with the construction of the Facilities, including, without limitation, all construction, architectural, engineering, and landscaping or landscape improvement contracts or agreements and all plans, specifications, and drawings prepared by pursuant to such contracts or agreements, and any amendments thereof and/or supplements thereto;

(iv) all surveys, building permits, fill permits, sewer connection or tap-in permits, water connection or tap-in permits, curb-cut permits, certificates of occupancy, concurrency certificates, entitlements, development rights, zoning and variance approvals, utility service bonds and/or cash deposits, site improvement bonds and/or cash deposits, utility service agreements, site work agreements with any governmental authority or public utility, and all other agreements, contracts, contract rights, documents of title, choses in action, intangible property, permits, licenses, approvals, consents, authorizations, plans, franchises, trademarks, project logos, building names, insurance policies, bonds, escrow funds, easements, and exclusive agency licenses or leases of any kind now existing or hereafter arising or created or entered in to relating to the acquisition, construction, renovation, or development of the Land and the Facilities or any portion thereof;

(v) all warranties and guaranties covering any appliances and fixtures now or hereafter located on or placed upon the Land and the Facilities, including without limitation, air conditioning, heating, and other appliances and equipment;

(vi) the Management Agreement;

(vii) all accounts, books, records, and other property relating or referring to any of the foregoing; and

(viii) all proceeds of any and all of the foregoing and, to the extent not otherwise included, all payments under insurance (whether or not the Trustee is the loss payee thereof), or any indemnity, warranty, or guaranty, payable by reason of damage to, loss with respect to, or otherwise with respect to, any of the foregoing.

EXHIBIT "B"

LEGAL DESCRIPTIONS

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (0.46 Acre Tract - Cardinal Newman Hall):

A certain tract or parcel of land containing 0.46 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Beginning at the Southwest corner of the intersection of the sidewalks adjacent to the southernmost intersection of Pine Street & Dakota Street; thence South 14°46'47" West 144.30 feet; thence South 75°18'43" West 138.12 feet; thence North 14°44'13" West 144.28 feet; thence North 75°18'13" West 138.02 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 0.46 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46'03" West 240.96 feet to the Point of Beginning;

thence North 00°14'06" West 278.02 feet; thence North 89°50'08" East 252.70 feet; thence South 00°08'03" East 181.58 feet; thence South 89°48'33" West 39.94 feet; thence South 00°21'03" West 96.15 feet; thence South 89°49'36" West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey

Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

STATE OF LOUISIANA AMITE, LOUISIANA 8-13-04
PARISH OF TANGIPAHOA DATE
I, Delia Martin do hereby certify
that this document is a true and correct copy
of the original thereof, consisting of 7 page(s)
being a reproduction thereof from the records on
file with the undersigned, in accordance with
Louisiana Revised Statutes, Title 13, Section 3733.
Delia Martin
DEPUTY CLERK

5h

UNIFORM COMMERCIAL CODE - AMENDMENT
UCC-3

Important - Read instructions Before Completing Form

FOLLOW INSTRUCTIONS (FRONT AND BACK CAREFULLY)

1. Initial Financing Statement File # 53-35579

2. Termination - Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement

3. Continuation - Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

4. Assignment (full or partial). Give name of assignee in item 7a or 7b and address of assignee in item 7c and also give name of assignor in item 9.

5. AMENDMENT (PARTY INFORMATION) This amendment affects Debtor or Secured Party of record. Check only one of these two boxes.

Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c DELETE name: Give record name to be deleted in item 6a or 6b ADD name: Complete item 7a or 7b and item 7c; also complete items 7d-7g (if applicable)

6. CURRENT RECORD INFORMATION:

6a Organization's Name
Bank of New York Trust Company
OR
6b Individual's Last Name (and Title of Lineage (e.g. Jr., Sr., III, if applicable)) First Name Middle Name

7. CHANGED (NEW) OR ADDED INFORMATION:

7a Organization's Name
The Bank of New York Mellon Trust Company, N.A.
OR
7b Individual's Last Name (and Title of Lineage (e.g. Jr., Sr., III, if applicable)) First Name Middle Name
7c Mailing Address One American Place 301 Main Street, Suite 1510 City Baton Rouge State LA Postal Code 70801 Country USA
7d Tax ID #: SSN or EIN Add'l info re Organization: 7e Type of Organization 7f Jurisdiction of Organization 7g Organization ID if any None

8. AMENDMENT (Collateral Change): check only one box.
Describe collateral deleted or added, or give entire restated collateral description, or describe collateral assigned.

9. NAME or SECURED PARTY of RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here and enter name of Debtor authorizing this Amendment

9a Organization's Name
The Bank of New York Mellon Trust Company, N.A.
OR
9b Individual's Last Name (and Title of Lineage (e.g. Jr., Sr., III), if applicable) First Name Middle Name

10. OPTIONAL FILER REFERENCE DATA

11. NAME AND PHONE OF CONTACT AT FILER (optional)
Matt Kern (225) 248-2238

12. SEND ACKNOWLEDGMENT TO: (Name and Address)

Jones Walker LLP
8555 United Plaza Blvd.
5th Floor
Baton Rouge, Louisiana 70809
ATTN: Matt Kern

The above space is for filing office use only

53-72629
JULIANE DUFRECHE
CLERK OF COURT
TANGIPAHOLA PARISH, LA
2013 NOV 20 PM 2:30
DY. CLERK OF COURT
MICHELLE HUGHES

INSTRUCTIONS FOR LOUISIANA UCC FINANCING STATEMENT AMENDMENT (FORM UCC3)

Please type or laser print this form. Be sure it is completely legible. Read all instructions, especially Instruction 1; correct file number of initial financing statement is crucial. Follow instructions completely.

Fill in form very carefully; mistakes may have important legal consequences. If you have questions, consult your attorney. Filing office cannot give legal advice.

Do not insert anything in the open space in the lower portion of this form; it is reserved for filing office use.

An Amendment may relate to only one financing statement. Do not enter more than one file number in item 1.

PROPER PLACE TO FILE: This amendment must be filed in the same filing office as the financing statement to which it relates was filed. DO NOT FILE WITH THE SECRETARY OF STATE.

When properly completed, send Filing Office Copy, with required fee, to filing office. If you want an acknowledgment, complete item 12 and, if filing in a filing office that returns an acknowledgment copy furnished by filer, you may also send Acknowledgment Copy, otherwise detach. Always detach Debtor and Secured Party copies.

If you need to use attachments, use 8 1/2 X 11 inch sheets and put at the top of each sheet "AMENDMENT" and the file number of the initial financing statement to which this Amendment relates.

To assist filing offices that might wish to communicate with filer, filer may provide information in item 11. This item is optional.

Complete item 12 if you want an acknowledgment sent to you. If filing in a filing office that returns an acknowledgment copy furnished by filer, present simultaneously with this form a carbon or other copy of this form for use as an acknowledgment copy.

Always complete item 1 and 9.

1. **File number:** Enter file number of initial financing statement to which this Amendment relates. Enter only one file number.
NOTE Show purpose of the Amendment by checking box 2, 3, 4, 5 (in item 5 you must check two boxes) or 8; also complete items 6, 7 and/or 8 as appropriate.
2. To terminate the effectiveness of the identified financing statement with respect to security interest(s) of authorizing Secured Party, check box 2. See instruction 9 below.
3. To continue the effectiveness of the identified financing statement with respect to security interest(s) of authorizing Secured Party, check box 3. See instruction 9 below.
4. To assign (i) all of assignor's interest under the identified financing statement, or (ii) a partial interest in the security interest covered by the identified financing statement, or (iii) assignor's full interest in some (but not all) of the collateral covered by the identified financing statement: check box in item 4 and enter name of assignee in item 7a if assignee is an organization, or in item 7b, formatted as indicated, if assignee is an individual. Complete 7a or 7b but not both. Also enter assignee's address in item 7c and name of assignor in item 9. If partial Assignment affects only some (but not all) of the collateral covered by the identified financing statement, filer may check appropriate box in item 8 and indicate affected collateral in item 8.
- 5,6,7. To change the name and/or address of a party: Check box in item 5 to indicate whether this Amendment amends information relating to a Debtor or a Secured Party, also check box in item 5 to indicate that this is a name and/or address change; also enter name of affected party (current record name, in case of name change) in items 6a or 6b as appropriate; and also give new name (7a or 7b) and/or new address (7c) in item 7.
- 5,6. To delete a party: Check box in item 5 to indicate whether deleting a Debtor or a Secured Party; also check box in item 5 to indicate that this is a deletion of a party; and also enter name (6a or 6b) of deleted party in item 6.
- 5, 7. To add a party: Check box in item 5 to indicate whether adding a Debtor or Secured Party; also check box in item 5 to indicate that this is an addition of a party; also enter all required information in item 7: name (7a or 7b) and address (7c); also, if adding a Debtor that is an organization enter additional organization Debtor information (7e-g). Note: The preferred method for filing against a new Debtor (an individual or organization not previously of record as a Debtor under this file number) is to file a new Financing Statement (UCC) and not an Amendment (UCC3).
8. Collateral change. To change the collateral covered by the identified financing statement, describe the change in item 8. This may be accomplished either by describing the collateral to be added or deleted, or by setting forth in full the collateral description as it is to be effective after the filing of this Amendment, indicating clearly the method chosen (check the appropriate box). A partial release of collateral is a deletion. If due to a full release of all collateral, filer no longer claims a security interest under the identified financing statement, check box 2 (Termination) and not box 8 (Collateral Change). If a partial assignment consists of the assignment of some (but not all) of the collateral covered by the identified financing statement, filer may indicate the assigned collateral in item 8, check the appropriate box in item 8, and also comply with instruction 4 above.
9. Always enter name of party of record authorizing this Amendment; in most cases, this will be a Secured Party of record. If more than one authorizing Secured Party, attach additional name(s), properly formatted, on 8 1/2 x 11 inch sheet of paper and put at the top of each sheet the Financing Statement File Number. If the indicated financing statement refers to the parties as lessee and lessor, or consignee and consignor, or seller and buyer instead of Debtor and Secured Party, references in this Amendment shall be deemed likewise so to refer to the parties. If this is an Assignment, enter assignor's name. If this is an Amendment authorized by a Debtor that adds collateral or adds a Debtor, or if this is a Termination authorized by a Debtor, check the box in item 9 and enter the name, properly formatted, of the Debtor authorizing this Amendment.
10. This item is optional and is for filer's use only. For filer's convenience of reference, filer may enter in item 10 any identifying information (e.g., Secured Party's loan number, law firm file number, Debtor's name or other identification, state in which form is being filed, etc.) that filer may find useful.

ba

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 29, 2013

NEW ISSUE - BOOK-ENTRY ONLY

RATING: Moody's: "A3 (stable outlook)"
(See "RATING OF THE SERIES 2013 BONDS" herein)

Upon delivery of the Series 2013 Bonds (as hereinafter defined), Jones Walker LLP, Bond Counsel, will render its opinion that, assuming continuing compliance with certain covenants to satisfy the applicable requirements of the Internal Revenue Code of 1986 as amended (the "Code"), and subject to the matters discussed under the caption "TAX EXEMPTION" herein, under the law existing on the date thereof, interest on the Series 2013 Bonds will (i) be excludable from gross income of the beneficial owners thereof for federal income tax purposes and (ii) will not be an item of tax preference for purposes of determining the alternative minimum tax imposed on individuals and corporations under Section 57(a)(5) of the Code. Interest on the Series 2013 Bonds will be included in calculating a corporation's adjusted current earnings for purposes of determining the corporation's alternative minimum taxable income. In addition, Bond Counsel will render an opinion that, pursuant to the Refunding Act (as hereinafter defined), the Series 2013 Bonds, and the income therefrom, are exempt from all taxation by the State of Louisiana or any political subdivision thereof. See "TAX EXEMPTION" herein.



\$41,280,000*
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

Dated: Date of Delivery

Due: August 1, as shown on the inside cover

This Official Statement is available at www.MuniOS.com and www.msrb.org.

The above captioned bonds (the "Series 2013 Bonds") are being issued by the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority") to provide funds (i) to refund the Authority's outstanding Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A, issued in the original principal amount of \$60,985,000 and currently outstanding in the aggregate principal amount of \$52,230,000 (the "Series 2004A Bonds"), and (ii) to pay the costs of issuance of the Series 2013 Bonds.

The Series 2004A Bonds, along with the Authority's \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the "Series 2004B Bonds") and together with the Series 2004A Bonds, the "Series 2004 Bonds" were issued pursuant to a Trust Indenture dated as of August 1, 2004 (the "Original Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as Trustee (the "Trustee"). The proceeds of the Series 2004 Bonds were loaned to University Facilities, Inc., a Louisiana non-profit corporation (the "Corporation"), pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Original Loan Agreement"), for the purpose of financing the cost of refinancing existing debt associated with the Existing Facilities (as defined herein), as well as acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities and the renovation of Cardinal Newman Hall (the "New Facilities" and together with the Existing Facilities, the "Housing Facilities") for Southeastern Louisiana University (the "University") located on immovable property owned by or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "Board") in the City of Hammond, Parish of Tangipahoa, State of Louisiana (the "Property"), which Housing Facilities have been leased to the Board on behalf of the University.

Pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes, as amended (the "LCDA Act") and Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes, as amended (the "Refunding Act" and together with the LCDA Act, the "Act"), the Authority is authorized to issue the Series 2013 Bonds to refund the Series 2004A Bonds. The proceeds of the Series 2013 Bonds will be loaned to the Corporation pursuant to the Original Loan Agreement, as supplemented by a First Supplemental Loan and Assignment Agreement between the Corporation and the Authority (the "First Supplemental Loan Agreement" and together with the Original Loan Agreement dated as of November 1, 2013, the "Loan Agreement"). Pursuant to the Loan Agreement, the Corporation will assign its rights under the Facilities Lease (as hereinafter defined), including its rights to all Base Rental received thereunder, to the Authority and has agreed to make timely payments of principal of, premium, if any, and interest on the Series 2013 Bonds from Series 2004 Lawfully Available Funds (as hereinafter defined), including, but not limited to, revenues derived from the Housing Facilities and certain Auxiliary Revenues. See "SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS" herein.

THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

The Series 2013 Bonds will be subject to optional, extraordinary and mandatory sinking fund redemption, as further described herein.

AN INVESTMENT IN THE SERIES 2013 BONDS INVOLVES A DEGREE OF RISK BECAUSE OF THE VARIOUS RISKS DESCRIBED HEREIN. See "BONDHOLDERS' RISKS" herein.

The Series 2013 Bonds are offered when, as, and if issued by the Authority and received by the Underwriter and are subject to prior sale and the approval of legality by Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the Authority by Breithaupt, Dunn, DuBos, Shafto & Wolleson, LLC, Monroe, Louisiana; for the Corporation by Seale & Ross, A Professional Law Corporation, Hammond, Louisiana; for the Board by DeCuir, Clark & Adams, L.L.P., Baton Rouge, Louisiana; and for the Underwriters by Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Baton Rouge, Louisiana. Delivery of the Series 2013 Bonds to DTC in New York, New York is expected on or about November 12, 2013.

STEPHENS INC.

RAYMOND JAMES®

The date of this Official Statement is November __, 2013. This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

MATURITY SCHEDULE*

\$41,280,000*

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

\$ _____ SERIAL BONDS

| <u>Maturity August 1</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP¹</u> |
|------------------------------|-----------------------------|--------------------------|--------------|--------------------------|
|------------------------------|-----------------------------|--------------------------|--------------|--------------------------|

| | | | |
|----------|---------------------------------|---------------|----------------|
| \$ _____ | % Term Bonds due August 1, 20__ | , Yield _____ | %, CUSIP _____ |
| \$ _____ | % Term Bonds due August 1, 20__ | , Yield _____ | %, CUSIP _____ |

* Preliminary, subject to change.

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. The CUSIP numbers are provided for convenience of reference only. Neither the Authority, the Corporation, the Board nor the Underwriter take any responsibility for the accuracy of such CUSIP numbers.

NO DEALER, BROKER, SALESMAN, OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE AUTHORITY, THE CORPORATION, OR THE UNDERWRITER. 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 2013 BONDS BY ANY PERSON IN ANY STATE IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION, OR SALE.

THE INFORMATION SET FORTH HEREIN CONCERNING THE DEPOSITORY TRUST COMPANY (“DTC”) HAS BEEN FURNISHED BY DTC AND NO REPRESENTATION IS MADE BY THE AUTHORITY, THE CORPORATION, THE BOARD OR THE UNDERWRITERS AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE AUTHORITY, THE CORPORATION, THE BOARD, THE UNIVERSITY, OR OTHER SOURCES THAT ARE DEEMED TO BE RELIABLE. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH AND AS PART OF ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAW AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION BUT SUCH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE UNDERWRITERS.

BY ITS PURCHASE OF THE SERIES 2013 BONDS, AN INVESTOR IS ACKNOWLEDGING THAT IT HAS REVIEWED ALL THE INFORMATION IT DEEMS NECESSARY TO MAKE AN INFORMED DECISION, AND THAT IT IS NOT RELYING ON ANY REPRESENTATION OF THE UNDERWRITERS OR ANY OF THEIR OFFICERS, REPRESENTATIVES, AGENTS, OR DIRECTORS IN REACHING ITS DECISION TO PURCHASE THE SERIES 2013 BONDS.

THE INVESTOR, BY ITS PURCHASE OF THE 2013 BONDS, ACKNOWLEDGES ITS CONSENT FOR THE UNDERWRITERS TO RELY UPON THE INVESTOR’S UNDERSTANDING OF AND AGREEMENT TO THE PRECEDING TWO PARAGRAPHS AS SUCH RELATES TO THE DISCLOSURE AND FAIR DEALING OBLIGATIONS THAT MAY BE APPLICABLE TO THE UNDERWRITERS UNDER APPLICABLE SECURITIES LAWS AND REGULATIONS.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE AUTHORITY, THE UNIVERSITY, THE BOARD, THE CORPORATION AND THE UNDERWRITERS AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2013 BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT.

THE AUTHORITY HAS PROVIDED ONLY THAT INFORMATION IN THIS OFFICIAL STATEMENT THAT IS CONTAINED UNDER THE HEADING “**THE AUTHORITY**” AND, AS TO THE AUTHORITY, UNDER THE HEADING “**LITIGATION - The Authority.**” THE AUTHORITY HAS NOT FURNISHED OR VERIFIED ANY OTHER INFORMATION OR STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT AND IS NOT RESPONSIBLE FOR THE SUFFICIENCY, COMPLETENESS, OR ACCURACY OF SUCH OTHER INFORMATION OR STATEMENTS.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2013 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2013 BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND NEITHER THE AUTHORITY NOR THE UNDERWRITERS INTEND TO LIST THE SERIES 2013 BONDS ON ANY STOCK OR OTHER SECURITY EXCHANGE. THE SECURITIES AND EXCHANGE COMMISSION HAS NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. WITH RESPECT TO THE VARIOUS STATES IN WHICH THE SERIES 2013 BONDS MAY BE OFFERED, NO ATTORNEY GENERAL, STATE OFFICIAL, STATE AGENCY OR BUREAU, OR OTHER STATE OR LOCAL GOVERNMENTAL ENTITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE SERIES 2013 BONDS.

THIS PRELIMINARY OFFICIAL STATEMENT HAS BEEN DEEMED TO BE FINAL AS OF ITS DATE WITHIN THE MEANING OF THE RULE 15c2-12 UNDER THE SECURITIES AND EXCHANGE ACT OF 1934, EXCEPT FOR THE OMISSIONS OF THE OFFERING PRICES(S), INTEREST RATE(S), SELLING COMPENSATION, AGGREGATE PRINCIPAL AMOUNT, PRINCIPAL AMOUNT PER MATURITY, DELIVERY DATE, RATINGS, AND OTHER TERMS OF THE SERIES 2013 BONDS DEPENDING ON SUCH MATTERS, ALL OF WHICH ARE PERMITTED OMISSIONS UNDER RULE 15c2-12.

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| INTRODUCTORY STATEMENT | 1 |
| Authority and Purpose | 1 |
| Security Arrangements | 1 |
| Limited Liability | 2 |
| Definitions | 2 |
| THE AUTHORITY | 3 |
| General | 3 |
| Participating Political Subdivisions | 3 |
| Governance | 3 |
| Authorizing Resolution | 4 |
| THE UNIVERSITY | 4 |
| THE BOARD | 5 |
| General | 5 |
| Membership | 5 |
| Administrative Officers | 6 |
| THE CORPORATION | 6 |
| PLAN OF REFUNDING | 7 |
| THE SERIES 2004 BONDS | 7 |
| THE HOUSING FACILITIES | 7 |
| THE SERIES 2013 BONDS | 8 |
| General | 8 |
| Redemption Prior to Maturity | 9 |
| Partial Redemption of Series 2013 Bonds | 9 |
| Notice of Redemption | 9 |
| Book-Entry Only System | 10 |
| Series 2013 Bonds Are Limited Obligations | 12 |
| THE GROUND LEASE | 12 |
| General | 12 |
| Default and Remedies | 12 |
| THE FACILITIES LEASE | 13 |
| General | 13 |
| Rental | 13 |
| Extraordinary Rental Payments | 14 |
| Rate Maintenance Covenant | 14 |
| Additional Student Housing Facilities/Additional Debt | 14 |
| Undergraduate Residency Requirement | 15 |
| Insurance | 15 |
| Condemnation, Casualty, and Other Damage | 16 |
| Application of Insurance Proceeds: Condemnation Award | 16 |
| Default by the Board | 17 |
| Cumulative Remedies | 18 |
| Non-Appropriation of Funds | 18 |

| | |
|--|----|
| SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS | 18 |
| Housing Occupancy | 19 |
| Historical Debt Service Coverage | 19 |
| Trust Estate..... | 20 |
| Mortgage | 20 |
| Limitation of Authority’s Obligations..... | 21 |
| Funds and Accounts | 21 |
| BONDHOLDERS’ RISKS | 24 |
| Introduction | 24 |
| Series 2004 Lawfully Available Funds | 24 |
| Special Nature of the Housing Facilities | 25 |
| Selective Admissions Standards..... | 25 |
| Operating Budget Environment..... | 25 |
| Appropriation of Rental by the Board | 26 |
| Litigation | 26 |
| Risk Factors Inherent in Higher Education | 26 |
| Effect of Determination of Taxability | 26 |
| Consequences of Changes in the Corporation’s or the University’s Tax Status | 26 |
| Taxation of Bonds | 27 |
| Changes in Federal and State Tax Law | 27 |
| Market for the Bonds..... | 27 |
| LITIGATION | 27 |
| The Authority | 27 |
| The Corporation | 28 |
| CONFLICTS OF INTEREST; RELATIONSHIPS | 28 |
| TAX EXEMPTION | 28 |
| General | 28 |
| Changes in Federal and State Tax Law | 29 |
| Tax Treatment of Premium | 29 |
| Tax Treatment of Original Issue Discount | 29 |
| Non-Qualified Tax-Exempt Obligations for Financial Institutions | 30 |
| Louisiana Taxes..... | 30 |
| UNDERWRITING | 30 |
| RATING OF THE SERIES 2013 BONDS | 30 |
| LEGAL MATTERS | 30 |
| CONTINUING DISCLOSURE | 31 |
| FINANCIAL ADVISOR TO THE UNIVERSITY | 32 |
| MISCELLANEOUS | 32 |
| APPENDIX A – Demographic and Summary Financial Information Related to the University | |
| APPENDIX B – Forms of Principal Financing Documents | |
| APPENDIX C – Form of Bond Counsel Opinion | |
| APPENDIX D – Form of Continuing Disclosure Certificate | |
| APPENDIX E – Schedule of Series 2004A Bonds | |

OFFICIAL STATEMENT

\$41,280,000*

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

INTRODUCTORY STATEMENT

This Official Statement, including the cover page and the Appendices hereto, furnishes certain information in connection with the sale by the Louisiana Local Government Environmental Facilities and Community Development Authority (the “**Authority**”) of \$41,280,000* in aggregate principal amount of its Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2013 (the “**Series 2013 Bonds**”) to be issued by the Authority pursuant to a Trust Indenture dated as of August 1, 2004 (the “**Original Indenture**”), between the Authority and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as Trustee (the “**Trustee**”), as amended and supplemented by a First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee (the “**Supplemental Indenture**” and together with the Original Indenture, the “**Indenture**”).

Authority and Purpose

The Series 2013 Bonds are to be issued by the Authority, pursuant to and in accordance with the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes, as amended (the “**LCDA Act**”) and Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes, as amended (the “**Refunding Act**” and together with the LCDA Act, the “**Act**”) and the proceeds of the Series 2013 Bonds will be loaned by the Authority to University Facilities, Inc. (the “**Corporation**”), a non-profit corporation organized under the laws of the State of Louisiana (the “**State**”), for the benefit of the University for the purpose of providing funds (i) to refund the Authority’s outstanding Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A, issued in the original principal amount of \$60,985,000 and currently outstanding in the aggregate principal amount of \$52,230,000 (the “**Series 2004A Bonds**”), and (ii) to pay the costs of issuance of the Series 2013 Bonds.

Security Arrangements

The Series 2013 Bonds are secured pursuant to the Indenture by: (i) all right, title, and interest of the Authority in, to and under the Loan Agreement, the Ground Lease and the Facilities Lease, and (ii) moneys held in funds and accounts (other than the Rebate Fund) established pursuant to the Indenture (the “**Trust Estate**”).

Pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 and a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013, all by and between the Board of Supervisors for the University of Louisiana System (the “**Board**”) and the Corporation (collectively, the “**Ground Lease**”), the Board has leased to the Corporation the property (the “**Property**”) upon which the Housing Facilities are located, and the Housing Facilities will be leased back to, and operated by, the Board pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 and a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013, all between the Corporation, as lessor, and the Board, as lessee (collectively, the “**Facilities Lease**”).

In consideration of the Corporation entering into the Ground Lease and the Facilities Lease, the Board will covenant to make payments of Base Rental, in an amount sufficient to pay debt service on the Series 2013 Bonds from

Series 2004 Lawfully Available Funds, including, but not limited to, revenues derived from the Housing Facilities and certain Auxiliary Revenues. See “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS**” herein.

For purposes herein, “Series 2004 Lawfully Available Funds” means all unrestricted funds available to the University and appropriated by the Board to make rental payments from any source, including all revenues actually received from any source by, or on behalf of the Board or the University with respect to the Housing Facilities and any Additional Housing Facilities (as defined in the Facilities Lease), including without duplication, all collected rents and other charges for the use or occupancy of the Housing Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Housing Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants’ security deposits unless and until applied in satisfaction of tenants’ obligations as provided for in the Management Agreement and excluding refunds and reimbursements due to students in accordance with University policy (the “**Rents**”).

The Mortgage (as defined herein) secures the Corporation’s leasehold interest in the Property and secures payments of the Series 2004 Bonds and any Additional Bonds, including the Series 2013 Bonds. The Corporation also granted the Trustee a first priority security interest in the leases and subleases affecting the Property and/or the Housing Facilities, including, without limitation, the Facilities Lease and all revenues, rentals and other sums due or becoming due under the leases. See “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Mortgage.**” See also “**BONDHOLDERS’ RISK – Special Nature of the Housing Facilities**” for a discussion on the limited use nature of the Housing Facilities.

The Ground Lease and the Facilities Lease also include certain property on which an intermodal parking facility and a stadium expansion were constructed with the proceeds of the Authority’s Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project), Series 2007 (the “**Series 2007 Bonds**”). The Board’s payment obligations under the Facilities Lease related to the Series 2007 Bonds are payable from Student Parking Fees and Auxiliary Revenues (both as defined in the Facilities Lease). The Series 2013 Bonds are payable from Series 2004 Lawfully Available Funds, as described above, and are not secured by the same primary source of revenues as the Series 2007 Bonds. The Series 2013 Bonds, the Series 2004B Bonds and the Series 2007 Bonds are secured equally by Auxiliary Revenues.

The payment obligations of the Board pursuant to the Facilities Lease related to the Series 2013 Bonds are payable from Series 2004 Lawfully Available Funds on a parity with its payment obligations related to the Series 2004B Bonds. See “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS**” herein.

Limited Liability

The Series 2013 Bonds are limited and special obligations of the Authority payable solely from and secured by an assignment and pledge of the Trust Estate pursuant to the Indenture. No other assets of the Authority are available for payment of the principal of, premium, if any, or interest on the Series 2013 Bonds.

Definitions

Certain capitalized terms used in this Official Statement and not otherwise defined herein shall have the meaning given to such terms in “**FORMS OF PRINCIPAL FINANCING DOCUMENTS**” attached as “**APPENDIX B**” hereto.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Authority, the Corporation, the Board, the University, the Housing Facilities, the Series 2013 Bonds, the Loan Agreement, the Ground Lease, the Facilities Lease, and the Indenture. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Ground Lease, the Facilities Lease, the Loan Agreement, and the Indenture are qualified in their entirety by reference to such documents, and references herein to the Series 2013 Bonds are qualified in their entirety to the forms thereof included in the Indenture.

THE AUTHORITY

General

The Louisiana Local Government Environmental Facilities and Community Development Authority (the “**Authority**”) is a political subdivision of the State of Louisiana, organized under the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La R.S. 33:4548.1 through 33:4548.16) (the “**LCDA Act**”). The purpose of the Authority is, among others enumerated in the LCDA Act, to assist in financing programs or loans to political subdivisions (as defined in the LCDA Act) in the State of Louisiana. In furtherance of its authorized powers and functions, the Authority has the power, by virtue of the LCDA Act and the Refunding Act, to issue the Series 2013 Bonds, to loan the proceeds thereof to the Corporation and to secure the Series 2013 Bonds by a pledge of the amounts payable by the Corporation under the Loan Agreement.

Participating Political Subdivisions

Any political subdivision of the State may participate as a member of the Authority.

Governance

The Authority is governed by a Board of Directors whose membership is limited to those representatives of political subdivisions of the State maintaining membership in the Authority (each a “**Participating Political Subdivision**”) whose governing authorities have adopted a resolution indicating their intention to participate in the Authority. Each Participating Political Subdivision may appoint a Director in accordance with the LCDA Act. Directors are appointed for two (2) year terms and may be removed for just cause. Officers are elected by and from the ranks of the members of the Board of Directors and consist of a Chairman, Vice-Chairman and Secretary-Treasurer. Officers serve one (1) year terms and may not be re-elected for successive terms in any one office.

Pursuant to the Authority’s by-laws, the Board of Directors has established an Executive Committee (the “**Executive Committee**”) and, in accordance with the LCDA Act, delegated certain duties and authorities to the Executive Committee. The Executive Committee consists of seven members, three of whom are the officers of the Authority and serve as ex-officio members for as long as they remain officers of the Board of Directors. The remaining four (4) members are elected at an annual meeting of the Board of Directors and serve as at-large members with one member elected for a term of one (1) year, one member elected for a term of two (2) years, one member elected for a term of three (3) years and one member elected for a term of four (4) years. An at-large member may not be re-elected to the Executive Committee as an at-large member and his successor shall be elected for a four (4) year term. The Executive Committee is required to make an annual report to the Board of Directors at its annual meeting. Provision is made in the by-laws to make the minutes of all Executive Committee meetings available to members of the Board of Directors.

The current members of the Executive Committee, their positions, terms of office and respective Participating Political Subdivision are as follows:

| <u>Present Committee Members</u> | <u>Position</u> | <u>Term Expires</u> | <u>Participating Political Subdivision</u> |
|--------------------------------------|---------------------|-------------------------|--|
| William A. Lazaro, Jr. | Chairman | 12/31/13 | Jefferson Parish |
| Lynn Austin | Vice Chairman | 12/31/13 | City of Bossier |
| Mayor Billy D’Aquilla | Secretary-Treasurer | 12/31/13 | Town of St. Francisville |
| Mary S. Adams | Member | 12/31/13 | Varnado Waterworks District |
| Julian Dufreche | Member | 12/31/14 | Tangipahoa Parish Clerk of Court |
| Mack Dellafosse | Member | 12/31/15 | Calcasieu Parish School Board |
| Mayor David Camardelle | Member | 12/31/16 | Town of Grand Isle |

The address of the Authority is 8712 Jefferson Highway, Suite A, Baton Rouge, Louisiana 70809. The Executive Director of the Authority is Steve A. Dicharry. Mr. Dicharry received his degree in finance from Louisiana State University. He worked as a cash and investment manager for Cajun Electric Power Co-Op, and as debt analyst

and senior debt analyst for the Louisiana State Bond Commission. In February, 2003, Mr. Dicharry joined the staff of the Authority as Assistant Director and has served as Executive Director of the Authority since March, 2004.

Authorizing Resolution

The Series 2013 Bonds were authorized by resolutions adopted by the Executive Committee on August 8, 2013 and October 10, 2013, in an amount not to exceed \$55,000,000.

THE UNIVERSITY

The University is located in Hammond, Louisiana, the heart of Louisiana's "Florida Parishes." Hammond is located at the intersection of Interstate Highways 55 and 12, approximately sixty (60) miles north of New Orleans, Louisiana's largest city, and forty (40) miles east of Baton Rouge, the state's capital. The University has a current enrollment of approximately 15,000 students with a faculty and staff population of approximately 1,300.

The University is the outgrowth of Hammond Junior College, which was established in 1925. By Act No. 136 of the Louisiana Legislature of 1928, the institution was made part of the state educational system under control of the State Board of Education. The same act of the legislature granted the college the right to establish four-year curricula and to grant the baccalaureate degrees when the facilities of the college permitted and the State Board approved.

In 1937, the State Board of Education authorized the President of the University to submit curricula extending through four years and leading to the baccalaureate degrees. Four-year curricula in the liberal arts, teacher education, business administration, music, the social sciences, and health and physical education were submitted to the State Board and were formally approved. The first degrees were conferred in May 1939.

On July 15, 1970, the Hon. John J. McKeithen, Governor of the State of Louisiana, signed the legislative act changing the name of the institution to Southeastern Louisiana University.

The 1974 Constitution of the State of Louisiana created the Louisiana State Board of Regents with certain powers, duties, and responsibilities relative to all public institution of higher education in the State of Louisiana. The 1974 Constitution also established three higher education management boards, placing the University under the Board of Trustees for State Colleges and Universities (now known as the University of Louisiana System).

Act 915 of the 2008 Regular Session of the Louisiana Legislature ("Act 915") authorized Louisiana public postsecondary institutions through their governing boards to assess a certain percentage tuition increase based on the disparity of the institution's tuition rate compared to their peers in the South as reported by the Southern Regional Education Board (SREB). For the first time, the Legislature authorized a rate increase to be applied over multiple years for undergraduates and certificate students. The University was permitted to raise tuition up to five percent (5%) per year for four (4) years (2008-09, 2009-10, 2010-11 and 2011-12).

Act 741 of the 2010 Regular Session of the Louisiana Legislature, titled the Louisiana Granting Resources and Autonomy for Diplomas (LaGRAD) Act, built on the precedent set by Act 915 by authorizing tuition increases of up to ten percent (10%) annually for six (6) years based on continual performance improvement of schools and universities. The tuition-for-performance authority created a longer term budget planning capability that had not existed under periodic, one-time approvals of rate increases. The LaGRAD Act was amended by Act 418 of the 2011 Regular Session of the Louisiana Legislature by adding an extensive array of administrative autonomies similar to those of other universities in other states, such as procurement, investment flexibility, risk management and facility project management.

The University's financial statements can be accessed at <http://www.southeastern.edu/admin/controller/annual-reports/index.html>.

For summary financial and statistical information regarding the University, see "APPENDIX A – DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION RELATED TO THE UNIVERSITY."

THE BOARD

General

The Board is a public constitutional corporation and agency of the State whose responsibility is the supervision and management of State colleges and universities not managed by a separate higher education board created by the Louisiana Constitution. The colleges and universities supervised by the Board are the following: Grambling State University, Grambling, Louisiana; Louisiana Tech University, Ruston, Louisiana; McNeese State University, Lake Charles, Louisiana; Nicholls State University, Thibodaux, Louisiana; Northwestern State University, Natchitoches, Louisiana; Southeastern Louisiana University, Hammond, Louisiana; University of Louisiana at Lafayette, Lafayette, Louisiana; University of Louisiana at Monroe, Monroe, Louisiana and University of New Orleans, New Orleans, Louisiana.

The Board adopted a resolution on August 20, 2013, authorizing the execution of the Ground Lease and the Facilities Lease.

Membership

The Board is governed by a sixteen (16)-member Board of Supervisors. Members are appointed by the Governor and serve six (6)-year overlapping terms (except for the student member whose term is one (1) year) or until their successors are appointed, whichever occurs later. There are two (2) members from each congressional district, one (1) at-large member and one student member. The current Board members are as follows:

| <u>Name</u> | <u>Profession/Occupation</u> | <u>Term Ends</u> |
|-------------------------------|--|------------------|
| Mr. John Condos | President/Owner Wilcar Exploration LLC Digikast LLC Medical Legal Solutions LLC MedTek Specialties LLC | 12/31/18 |
| Mr. Andre G. Coudrain | Attorney Cashe Coudrain & Sandage | 12/31/14 |
| Mr. Edward J. Crawford III | Partner Atco Investment Co. | 12/31/14 |
| Dr. Kelly Faircloth | Chiropractor Faircloth Chiropractic Clinic | 12/31/16 |
| Mr. David Guidry | President/CEO Guico Industries | 12/31/14 |
| Mr. E. Gerald Hebert | President Patriot Services Corporation | 12/31/16 |
| Mr. John LeTard | Pharmacist Owner, Medical Pharmacy Owner, Medical Pharmacy West | 12/31/16 |
| Mr. Davante Lewis | Student | 5/31/14 |
| Mr. Jimmy D. Long, Sr. | Retired State Legislator | 12/31/18 |
| Mr. Jimmie "Beau" Martin, Jr. | Sales & Operation Manager/Owner B & J Martin, Inc. Martin Quarters, L.L.C. | 12/31/18 |
| Mr. D. Wayne Parker | Retired | 12/31/14 |

| | | |
|------------------------|---|----------|
| Mr. Mark Romero | Executive Vice President/Profit Center Leader Brown & Brown of Louisiana, Inc. | 12/31/18 |
| Mr. Carl Shetler | Retired Owner, Car Dealership | 12/31/16 |
| Mr. Robert Shreve | Owner/Chairman/CEO Gulf South Business Systems & Consultants, Inc. | 12/31/18 |
| Mr. Winfred F. Sibille | Retired Educator | 12/31/18 |
| Mr. Gary Solomon | Chairman Crescent Bank and Trust | 12/31/18 |

Administrative Officers

Dr. Sandra K. Woodley, President. Dr. Woodley was appointed as President of the University of Louisiana System in January, 2013. Prior to becoming President of the University of Louisiana System, Dr. Woodley served as Vice-Chancellor for Strategic Initiatives for the University of Texas System where for two years she was responsible for strategic planning, policy research, and accountability for the University of Texas System composed of sixteen academic and health institutions. She also served as the liaison for the Chancellor for the Board of Regents on two high level Regents' task forces and blended an online learning and university excellence and productivity. Prior to work on Texas, Dr. Woodley served as Strategic Planner and Chief Financial Officer for the Arizona University System; Vice President for Finance, Planning and Performance for the Kentucky Council on Post-Secondary Education; and Associate Executive Director for the Alabama Commission of Higher Education overseeing finance, performance and institutional research and information systems.

Dr. Woodley's academic credentials include a Bachelor of Science in Business Administration and a Master of Business Administration from Auburn University, and a Doctorate in Business Administration and Management earned at Nova Southeastern University.

Mr. Robbie Robinson, Vice President for Business and Finance. Mr. Robinson is a Certified Public Accountant and the Vice President of Business and Finance for the University of Louisiana System. Prior to November 2010, he served four years as the Director of Internal and External Audits for the University of Louisiana System. Formerly, he was First Assistant Legislative Auditor with over 28 years of governmental auditing experience with the Louisiana Legislative Auditor's Office, plus 5 years of governmental accounting, budgeting, and financial experience with the Department of Health and Hospitals and Teachers Retirement System of Louisiana.

Mr. Robinson has participated in five National State Auditors Association's quality control reviews on the operations of the state auditors of South Carolina, Tennessee, Missouri (team leader), Nebraska (team leader), and Oklahoma (concurring reviewer). He served as a reviewer on the Governmental Finance Officers Association Certificate of Achievement Program for over 16 years, as well as serving as a reviewer for the Association of School Board Officials. Mr. Robinson has also taught governmental accounting at Southern University in Baton Rouge.

In 1991 and 1996, Mr. Robinson received the Society of Louisiana Certified Public Accountants' Special Recognition Award for outstanding leadership and service to the CPA profession by directing efforts for the resolution of issues concerning local government audits in Louisiana. He received a Bachelor of Science degree in Accounting from LSU.

The Board's financial statements can be accessed at [http://app1.la.state.la.us/PublicReports.nsf/EDBC4D7798ABD12F86257B27004F3331/\\$FILE/000304C3.pdf](http://app1.la.state.la.us/PublicReports.nsf/EDBC4D7798ABD12F86257B27004F3331/$FILE/000304C3.pdf).

THE CORPORATION

The Corporation is a Louisiana non-profit corporation created exclusively to promote, assist, and benefit the educational, scientific, research, and public service mission of the University by engaging in any lawful activity in which a non-profit corporation meeting the requirements of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") may participate. The business affairs of the Corporation are administered by a

Board of four (4) Directors, who also comprise the entire membership of the Corporation. Officers of the Corporation are the President/Chairman and Secretary/Treasurer. Information concerning the members of the Board of Directors of the Corporation is set forth below:

| <u>Name</u> | <u>Position</u> | <u>Term Expires</u> |
|--------------------|---------------------|---------------------|
| Phil K. Livingston | President/Chairman | June 30, 2015 |
| Jack Gautier | Secretary/Treasurer | June 30, 2014 |
| Stephen M. Smith | Member | June 30, 2016 |
| Marcus Naquin | Member | June 30, 2016 |

Management of the Corporation has been delegated to Joseph Morris, Executive Director. See “**CONFLICTS OF INTEREST; RELATIONSHIPS**” herein.

In accordance with its Articles of Incorporation, the Corporation may specifically engage in acquiring, constructing, developing, managing, leasing, mortgaging, or conveying student housing and other facilities on the campus of the University.

PLAN OF REFUNDING

On the Closing Date, the Trustee will fund the Escrow Fund with such amounts from the proceeds of the Series 2013 Bonds, that, together with a transfer from the Series 2004 Bond Debt Service Reserve Fund and a Board Contribution, will be sufficient to pay in full all principal of and interest on the Series 2004A Bonds on August 1, 2014 (the “**Redemption Date**”). For a list of the Series 2004A Bonds, see “**APPENDIX E – SHCHEDULE OF SERIES 2004A BONDS.**” Prior to the Redemption Date, moneys in the Escrow Fund will be invested in accordance with the Escrow Agreement.

THE SERIES 2004 BONDS

The Series 2004A Bonds, along with the Series 2004B Bonds were issued on August 13, 2004 to finance the New Facilities (as hereinafter defined) and refinance existing debt related to the Existing Facilities (as hereinafter defined). The Series 2004A Bonds will be refunded in full with the proceeds of the Series 2013 Bonds, along with certain other funds available therefor. The Series 2004B Bonds, in the current outstanding amount of \$15,000,000, will remain outstanding and will be secured by and payable from Series 2004 Lawfully Available Funds, on a parity with the Series 2013 Bonds.

THE HOUSING FACILITIES

The Housing Facilities encompass all of the University’s on-campus housing, including Zachary Taylor Hall and the University’s apartment-style housing, Southeastern Oaks and The Village (the “**Existing Facilities**”), along with newly constructed student housing facilities containing a total of 1,509 beds and a renovated Cardinal Newman Hall containing 94 beds, as well as related common area facilities, such as laundry rooms, community meeting rooms and tenant mail facilities (the “**New Facilities**” and together with the Existing Facilities, the “**Housing Facilities**”). Since the completion of the New Facilities in 2005, occupancy in the Housing Facilities has been at or near capacity. See “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Housing Occupancy**” herein.

After substantial completion but prior to final acceptance, the University discovered certain defects in the construction of the New Facilities. The Corporation retained a construction expert and began to mitigate and repair the defects, while simultaneously filing suit against the developer/general contractor. The litigation was resolved and a substantial contribution was made by the Corporation to the Replacement Fund held pursuant to the Original Indenture. After several inspections of the New Facilities, the Corporation made, and continues to make, the necessary repairs and modifications to the New Facilities and, while no assurances can be given, the Corporation believes the monies available in the Replacement Fund will be sufficient to repair the New Facilities. At no point during the repairs has occupancy decreased and it is expected that any future repairs can be addressed with minimal impact to the occupants of the New Facilities.

See “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Funds and Accounts- Replacement Fund**” for the current balance in the Replacement Fund available to make repairs to the Housing Facilities and “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Funds and Accounts- Receipts Fund**” for a description of the annual funding requirements for the Replacement Fund pursuant to the terms of the Indenture.

The University manages the Housing Facilities, through University Housing, a department within Auxiliary Services and the Division of Administration and Finance.

THE SERIES 2013 BONDS

General

The Series 2013 Bonds will be dated as of the date of issuance and delivery of the Series 2013 Bonds, and will bear interest at the rates per annum and mature on August 1 in the years and in the principal amounts indicated on the inside cover page of this Official Statement. Interest on the Series 2013 Bonds will be payable on each August 1 and February 1, commencing February 1, 2014.

The Series 2013 Bonds will be issued as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Series 2013 Bonds shall be issued initially as one certificate per maturity as set forth on the inside cover page hereof and shall be numbered from No. R-1 upwards. The Series 2013 Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), New York, New York, which will act as the securities depository for the Series 2013 Bonds. Purchasers of the Series 2013 Bonds will not receive certificates representing their interest in the Series 2013 Bonds purchased. Purchases of the beneficial interests in the Series 2013 Bonds will be made in book-entry only form in authorized denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Any purchaser of beneficial interests in the Series 2013 Bonds must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of, premium, if any, and interest on such Bonds. See “**THE SERIES 2013 BONDS – Book-Entry Only System**” herein.

The principal of, and premium, if any, of the Series 2013 Bonds will be payable to the registered owners thereof upon surrender of the Series 2013 Bonds at the principal corporate trust office of the Trustee. The interest on the Series 2013 Bonds, when due and payable, will be paid by check or draft mailed by the Trustee on such due date to each person in whose name a Bond is registered, at the address(es) as they appear on the Bond Register maintained by the Trustee at the close of business on the applicable Record Date irrespective of any transfer or exchange of the Series 2013 Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Authority shall default in payment of interest due on such Interest Payment Date, provided that the owners of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owners have requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice will be irrevocable until a new notice is delivered not later than a Record Date. In the event of any such default, such defaulted interest will be payable on a payment date established by the Trustee to the persons in whose names the Series 2013 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owners of the Series 2013 Bonds not fewer than fifteen (15) days preceding such special record date. Payment as aforesaid will be made in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

In the event any outstanding Series 2013 Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Authority may execute and, upon its request, the Trustee may authenticate a new Series 2013 Bond of the same principal amount and of like tenor as the mutilated, lost or stolen or destroyed Series 2013 Bond; provided that, in the case of any mutilated Series 2013 Bond, such mutilated Series 2013 Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Series 2013 Bond, there shall be first furnished to the Authority and the Trustee evidence of such loss, theft or destruction in form satisfactory to the Authority and the Trustee, together with indemnity satisfactory to them. In the event any such Series 2013 Bond shall have matured, instead of issuing a substitute Series 2013 Bond the Authority may authorize the payment of the same. The

Authority and the Trustee may charge the owner of such Series 2013 Bond with their reasonable fees and expenses in this connection.

Redemption Prior to Maturity*

Optional Redemption. The Series 2013 Bonds maturing August 1, 20__ and thereafter, will be subject to redemption prior to maturity, at the option of the Corporation, upon written direction to the Authority, on or after August 1, 20__ as a whole at any time or in part on any Interest Payment Date, the maturity of said Series 2013 Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, and at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

Extraordinary Redemption. The Series 2013 Bonds will be redeemed as a whole or in part (in an integral multiple of \$5,000) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds, condemnation award or payment in lieu of condemnation with respect to the Housing Facilities will not be applied to the restoration, repair or reconstruction of the Housing Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, in an aggregate principal amount equal to the amount of such insurance proceeds, condemnation award or payment in lieu of condemnation not used for restoration, repair or reconstruction. If in part, the Series 2013 Bonds to be redeemed will be in the inverse order of their maturity and selected within a maturity by the Trustee in such manner as the Trustee may determine. If the amount of any insurance proceeds, condemnation award or payment in lieu of condemnation to be applied in redemption of the Series 2013 Bonds is not an integral multiple of \$5,000, the principal amount of Series 2013 Bonds to be redeemed will be decreased to the next lower multiple of \$5,000.

Partial Redemption of Series 2013 Bonds

Unless otherwise specified above, if fewer than all of the Series 2013 Bonds are called for redemption, the Series 2013 Bonds to be redeemed will be in inverse order of their maturity, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed will be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond is called for redemption, a new Series 2013 Bond in a principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof.

Notice of Redemption

At least thirty (30) days before the redemption date of any Series 2013 Bonds, the Trustee will cause a notice of any such redemption, signed by an authorized officer of the Trustee, to be mailed, postage prepaid to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register but any defect in mailing of any such notice will not affect the validity of the proceedings for such redemption. Each notice will set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2013 Bonds then outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption will also state that on and after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided and money for payment of the redemption price being held in the Series 2013 Debt Service Fund in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed to the extent provided in the next paragraph, the Series 2013 Bonds so called for redemption will become due and payable at the redemption price provided for redemption of such Series 2013 Bonds or portions of Series 2013 Bonds on such date, interest on the Series 2013 Bonds or portions of Series 2013 Bonds called for redemption will cease to accrue, such Series 2013 Bonds or portions of Series 2013 Bonds will cease to be entitled to any benefit or security under the Indenture, and

* Preliminary, subject to change.

the owners of such Series 2013 Bonds or portions of Series 2013 Bonds will not have rights in respect thereof except to receive payment of the redemption price, and, in the case of a partial redemption, to receive Series 2013 Bonds for any unredeemed portion of Series 2013 Bonds.

In case part, but not all, of an Outstanding Series 2013 Bond shall be selected for redemption, the registered owner thereof or his legal representative shall present and surrender such Series 2013 Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Trustee will authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2013 Bond so surrendered, a new Series 2013 Bond.

Series 2013 Bonds and portions of Series 2013 Bonds that have been duly called for redemption under the provisions of the Indenture, or with respect to which irrevocable instructions to call for redemption have been given to the Trustee in form satisfactory to it, and for the payment of the redemption price for which moneys, or Defeasance Obligations, will be held by the Trustee in a segregated account in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, will not thereafter be deemed to be outstanding under the provisions of the Indenture and will cease to be entitled to any security or benefit under the Indenture other than the right to receive payment from such moneys.

Book-Entry Only System

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE AUTHORITY BELIEVES TO BE RELIABLE, BUT THE AUTHORITY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

The Depository Trust Company ("**DTC**"), New York, NY, will act as securities depository for the Series 2013 Bonds. The Series 2013 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 bond will be issued for each maturity 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**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2013 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2013 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2013 Bond ("**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 2013 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 Series 2013 Bonds, except in the event that use of the book-entry system for the Series 2013 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2013 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 Series 2013 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2013 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2013 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 2013 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2013 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2013 Bonds may wish to ascertain that the nominee holding the Series 2013 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 2013 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2013 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 Authority 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 2013 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2013 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 Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by 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 Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, 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 2013 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2013 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2013 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

Notwithstanding any other provision described herein or contained in the Indenture to the contrary, so long as any Series 2013 Bond is registered in the name of the nominee of DTC, all payments with respect to the principal of and interest on such Series 2013 Bond will be made and given, respectively, to the nominee or DTC in the manner provided in the Blanket Letter of Representation entered into between DTC and the Authority.

In connection with any notice or communication to be provided to Bondholders pursuant to the Indenture by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority, or the Trustee, as the case may be, will establish a record date for such consent or other action and give the nominee or DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

NEITHER THE AUTHORITY, THE CORPORATION, THE BOARD, THE UNIVERSITY, NOR THE TRUSTEE HAS ANY RESPONSIBILITY OR OBLIGATIONS TO THE DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (B) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2013 BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDHOLDERS; (D) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2013 BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS REGISTERED BONDHOLDER.

Series 2013 Bonds Are Limited Obligations

THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

THE GROUND LEASE

General

The Ground Lease will be entered into between the Board, on behalf of the University, as Lessor, and the Corporation, as Lessee, for lease of the Property and the Series 2007 Land. As a consideration for the Ground Lease, the Corporation will agree to perform its obligations under the Facilities Lease and all other documents contemplated by and ancillary to the Ground Lease and the Facilities Lease.

The Corporation's obligations under the Ground Lease may be suspended if by reason of *force majeure*, as described in the Ground Lease, the Corporation is unable to carry out such obligations.

Default and Remedies

Each of the following is an Event of Default under the Ground Lease:

(a) The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of the Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.

(b) The taking by execution of the Corporation's leasehold estate (other than a foreclosure of the Mortgage) for the benefit of any Person.

(c) The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of the Ground Lease and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(d) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Housing Facilities, the Series 2007 Facilities and the Stadium Expansion appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.

Upon the occurrence and during the continuance of an Event of Default, the Board will be permitted to seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Notwithstanding any provision of law of the Ground Lease to the contrary, except as set forth in the Ground Lease, the Board will not have the right to terminate the Ground Lease prior to its Expiration Date. However, in the event there is an Event of Default by the Corporation thereunder, the Board will have the right to terminate the Corporation's right to occupancy of the Property, the Housing Facilities, the Series 2007 Land and the Series 2007 Facilities, except that the Housing Facilities and the Series 2007 Facilities, at the option of the Board, shall remain thereon. The Board will have the right upon ninety (90) days' written notice of the opportunity to cure provided to the Series 2004 Bond Insurer and the Series 2007 Bond Insurer (collectively, the "**Bond Insurer**") and the Trustee, to take possession of the Property, the Housing Facilities and the Series 2007 Facilities and to re-let the Property, the Housing Facilities and the Series 2007 Facilities or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation will agree to release its leasehold interest and all of its rights under the Ground Lease and the Facilities Lease to the new lessee of the Property (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, if applicable) agreeing to assume all of the Corporation's obligations under the Ground Lease, the Facilities Lease, and under any debt incurred by or for the Corporation in connection with the construction of the Housing Facilities and the Series 2007 Facilities.

THE FACILITIES LEASE

General

Under the Facilities Lease, the Corporation will lease the Housing Facilities and the Series 2007 Facilities to the Board.

Rental

The Board will agree to pay Base Rental and Additional Rental as set forth in the Facilities Lease. The Base Rental amount payable from Series 2004 Lawfully Available Funds will be an amount equal to the principal of, premium, if any, and interest due on the Series 2013 Bonds, the Series 2004B Bonds and any Additional Bonds (as

hereinafter defined), payable prior to the dates that such debt shall become due and payable. The Base Rental will also include any amounts required to be paid into any funds established in the Indenture, including the Series 2004 Debt Service Reserve Fund or to make up any deficiency or to restore any loss resulting from investment and any other payment required to be made to such fund by the Indenture.

In addition, the Board will agree to pay from Series 2004 Lawfully Available Funds as Additional Rental any and all expenses incurred by or on behalf of the Corporation on behalf of the Board and/or by the Board in the management, operation, ownership, and/or maintenance of the Housing Facilities, owed to the Authority or the Trustee.

The Board will also be obligated pursuant to the Facilities Lease to make payments of Base Rental and Additional Rental from Student Parking Fees and Auxiliary Revenues, to make payments related to the Series 2007 Bonds and the Series 2007 Facilities.

Extraordinary Rental Payments

Pursuant to the Facilities Lease, the Board will covenant to make an extraordinary rental payment to refund a portion of the Series 2004A Bonds from funds on hand or collected by the Board in an amount not to exceed \$9,000,000.

Rate Maintenance Covenant

The Board will covenant and agree to maintain a Debt Service Coverage Ratio for the Housing Facilities of not less than 1.10:1.00 and a Debt Service Coverage Ratio for the University of not less than 1.25:1.00. The Board will further covenant in the Facilities Lease that, as long as any bonds, notes, or lease obligations remain outstanding that are payable from Series 2004 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Housing Facilities falls below 1.10:1.00 or the Debt Service Coverage Ratio for the University falls below 1.25:1.00, the Board will use its best efforts to raise its fees, rentals, rates and charges relating to the Housing Facilities so that within two (2) full semesters after either of the Debt Service Coverage Ratio for the Housing Facilities or the Debt Service Coverage Ratio for the University becomes deficient, the Debt Service Coverage Ratio for the Housing Facilities equals 1.10:1.00 and the Debt Service Coverage Ratio for the University equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Housing Facilities is still below 1.10:1.00 or the Debt Service Coverage Ratio for the University is still below 1.25:1.00, the Board will hire an outside consultant, approved by the Series 2004 Bond Insurer, and the Board will follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Housing Facilities, including raising fees and rents, reducing expenses and, if necessary, increasing the average occupancy rate through strict enforcement of parical rules requiring students to reside on campus and, to the extent legally possible, revising parical rules requiring students to increase the number of students required to reside on campus. So long as the Board is working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio for the Housing Facilities or any deficient Debt Service Coverage Ratio of the University, there will not be an Event of Default under the Facilities Lease unless (i) the Debt Service Coverage Ratio for the Housing Facilities is less than 1.00 to 1.00 at the end of the Fiscal Year, or (ii) the Debt Service Coverage Ratio of the University is less than 1.10 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees, rentals, rates and charges and calculating the Debt Service Coverage Ratio for the Housing Facilities and the Debt Service Coverage Ratio for the University, the Board will take into account payments required to be made into the Series 2004 Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund pursuant to the provisions of the Indenture. The Board will further covenant that it will seek any required approval necessary in order to comply with the covenant described under this subheading.

Additional Student Housing Facilities/Additional Debt

The University will not build, acquire or renovate any similar student housing facilities, whether such facilities are owned by the University or a private entity, unless (i) the Housing Facilities have met a Debt Service Coverage Ratio for the Housing Facilities of at least 1.25:1.00 for the prior Fiscal Year, (ii) the Housing Facilities are projected to meet a Debt Service Coverage Ratio of at least 1.25:1.00 for the Housing Facilities for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in student or multi-family housing, which is independent

from the University, the University's proposed project is not expected to have a material adverse effect on the Housing Facilities. Such additional student housing facilities owned or leased by the Board or the Corporation shall be incorporated with the Housing Facilities into a single housing system so that such additional student housing facilities and all revenues derived therefrom shall secure the Series 2013 Bonds, and the Housing Facilities and the revenues derived therefrom, including all Series 2004 Lawfully Available Funds derived from the Facilities Lease, will secure any debt incurred to finance such additional student housing facilities. In addition, the Mortgage (as defined in the Indenture) shall be amended to encumber any such additional student housing facilities and any revenues derived therefrom to secure the Series 2013 Bonds, the Series 2004B Bonds and any bonds hereinafter issued and payable from Series 2004 Lawfully Available Funds and any debt incurred to finance such additional housing facilities.

Undergraduate Residency Requirement

So long as any Series 2004 Bonds remain outstanding, the University will maintain its policy of requiring all unmarried, full-time undergraduate students with less than sixty (60) credit hours to live in on-campus residence halls. It is understood that the University currently permits certain exceptions to that policy and, except as set forth above, the University may continue to permit those exceptions but it shall make no voluntary revisions to such policy that would reduce the number of students required to live in on-campus residence halls (including, without limitation, reducing the number of credit hours to less than sixty (60), increasing the course-load required for status as a "full-time" student or modifying any existing exemptions from the policy), until the Series 2004 Bonds have been paid in full or the Series 2004 Bond Insurer consents in writing to a change in such policy.

Insurance

The University, at the direction of the Board, will secure and maintain or cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Housing Facilities and the Series 2007 Facilities (collectively, the "Facilities") against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance will be required to be not less than the full replacement cost of the Facilities, without deduction for depreciation. In the event that the Facilities are not repaired or replaced, insurance proceeds will be no greater than the actual cash value (replacement cost less depreciation) of the Facilities at the time of the loss. The policy will be required to be adjusted to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the Corporation in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(v) A policy of rental interruption insurance in the amount of at least one (1) year's rental in the event of loss of or damage to the Facilities.

All insurance required in the Facilities Lease and all renewals of such insurance (excepting self insurance or commercial insurance through ORM) will be issued by commercial insurers authorized to transact business in the State, and rated at least A- by Best's Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody's. All insurance policies provided or caused to be provided by the Corporation will expressly provide that the policies will not be canceled or altered without thirty (30) days' prior written notice to the University and the Trustee; and will, to the extent obtainable, be required to provide that no act or omission of the Corporation or other provider of insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University will be obligated to maintain according to the Facilities Lease (other than any policy of worker's compensation insurance) will be required to name the Corporation, the Trustee, and such other Persons or firms as the Board specifies from time to time as additional insureds and will be required to expressly provide that the policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Corporation and the Trustee and will, to the extent obtainable, be required to provide that no act or omission of the University that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University will be required to be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured through ORM with respect to destruction of or damage to any portion of the Facilities by fire, earthquake, or other casualty or event will be required to be paid to the Trustee (or in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of the Facilities Lease and the Indenture.

Condemnation, Casualty, and Other Damage

The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively, "Casualty") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively, "Expropriation") is expressly assumed by the Board. The Corporation and the Trustee will in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation under the Facilities Lease.

Application of Insurance Proceeds: Condemnation Award

If, during construction, all or any portion of the Facilities is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board will instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation will in no way be liable for any costs of the repair, restoration, or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Facilities by the Board on behalf of the Corporation, the Board will, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction, or taking of all or any portion of the Facilities will be required to be delivered to the Trustee and held by the Trustee in a special account to be established upon receipt of any such funds and held by the Trustee in trust (or in the case of self insurance through ORM, as set forth below), and will be made available for, and to the extent necessary be applied to, such restoration, repair, and replacement. Any amounts so held by the Trustee will be required to be disbursed to pay the costs of restoration, replacement, and repair of the Facilities with respect to which they shall be held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used

to pay costs of replacing, repairing, or restoring the Facilities and that no amount previously shall have been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee will be permitted to rely conclusively upon such written requests and will have no liability or responsibility to investigate any matter stated therein or for any inaccuracy or misstatement therein. In no event will the Trustee be responsible for the adequacy of the plans and specifications or the construction contract relating to the replacement, restoration, or repair of the Facilities or for the improper use of moneys properly disbursed pursuant to request made under the Facilities Lease. Any proceeds remaining on deposit with the Trustee following completion of the repairs, restoration, or replacement of the Facilities will be required to be paid by the Trustee in accordance with the terms of the Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore, or replace the Facilities, the proceeds shall be paid to the Trustee and used to redeem the Outstanding Bonds.

Notwithstanding the foregoing, the Corporation's obligation to replace the Facilities in the event of Expropriation Proceedings will be dependent on the Board's entering into a lease with a different portion of the campus of the University as provided in the Ground Lease. In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities, the Corporation and the Board will amend or enter into a new Facilities Lease and Ground Lease in accordance with the Ground Lease. In the event the Board, pursuant to the Ground Lease, decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) will be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Bonds in accordance with the terms of the Indenture, and the Facilities Lease and the Ground Lease will terminate.

In the event that ORM insures the Facilities, the Board will use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration, or replacement of the Facilities.

Default by the Board

If (i) the Board fails to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to the Facilities Lease by the close of business on the day such deposit is required pursuant to the Facilities Lease, and fails to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under the Facilities Lease (other than the payment of Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants, or conditions therein in connection with the Facilities, and shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or such longer period as the Trustee may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board will be deemed to be in default under the Facilities Lease, and the Corporation will have the right, at its option, without any further demand or notice to terminate the Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board in which case the Board's right to possession of the Facilities will cease, and the Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing for the period up to the time the Corporation regains possession (which have been approved for payment under the Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board that survive termination of the Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Facilities and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry will be allowed by the Board without hindrance, and the Corporation will not be liable in damages for any such re-entry or be guilty of trespass. The Corporation will agree that upon its termination of the Board's right to possession of the Facilities or termination of the Facilities Lease, the Corporation upon its re-entry of the Facilities will only be allowed to use the Facilities for the Permitted Use and will be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Facilities.

Notwithstanding any other provision of the Facilities Lease, (i) in no event will the Corporation have the right to accelerate the payment of any Base Rental payment under the Facilities Lease, and (ii) the Series 2004 Bond Insurer and/or the Series 2007 Bond Insurer will have ninety (90) days to cure an Event of Default thereunder.

Notwithstanding anything contained in the Facilities Lease to the contrary, a failure by the Board to pay when due any payment required to be made under the Facilities Lease or a failure by the Board to observe and perform any covenant, condition, or agreement on its part to be observed or performed under the Facilities Lease, resulting from a failure by the Board to appropriate moneys will not constitute an Event of Default thereunder, and the Corporation will not have any of the remedial rights set forth in the Facilities Lease. Notwithstanding the foregoing, in such event, the Facilities Lease will terminate and the Board will immediately vacate the Facilities and deliver the Facilities to the Corporation.

Cumulative Remedies

Each right and remedy provided for in the Facilities Lease is cumulative and will be in addition to every other right or remedy provided for in the Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in the Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of any or all other rights or remedies provided for in the Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of the Facilities Lease or to enforce any provision of the Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by the Board of any breach by the Corporation of any term, covenant, or condition of the Facilities Lease will not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition thereof.

Non-Appropriation of Funds

In the event no funds or insufficient funds are lawfully appropriated in its budget process in any Fiscal Year enabling the payment of Base Rental and Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the month following the Base Rental payment date on which the last payment of Base Rental can be made in full from Lawfully Available Funds, the Facilities Lease will terminate without penalty or expense to the Board of any kind whatsoever, except as to the portions of Base Rental and Additional Rental payments therein agreed upon for Fiscal Years for which sufficient funds shall have been lawfully appropriated. In the event of such termination, the Board will peaceably surrender possession of the Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Facilities and re-let or sell the Facilities as the Corporation determines and as granted in the Facilities Lease. The Board will acknowledge that the Corporation's rights to take possession and to re-let or sell the Facilities under the Facilities Lease may be assigned to the Trustee for the benefit of the owners of the Bonds, and the Board will agree that the Trustee will be entitled to exercise all of the rights of the Corporation under the Facilities Lease. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under the Facilities Lease will not constitute a default thereunder, but will, *ipso facto*, terminate the Facilities Lease. This provision will be operative notwithstanding any provisions of the Facilities Lease to the contrary. The Board will be considered in default thereunder if sufficient funds are lawfully appropriated for the payment of Rental required under the Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation will be entitled to the rights and remedies set forth in the Facilities Lease.

SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS

The Series 2013 Bonds are payable solely from Series 2004 Lawfully Available Funds, which include all unrestricted funds available to the University and appropriated by the Board to make Rental Payments from any source, including Rents. The Series 2013 Bonds will be issued on a complete parity with the Series 2004B Bonds.

The State, through the Division of Administration, is not, at any time whatsoever, obligated, committed or required to provide funds by legislative appropriation or any other means to pay debt service on the Series 2013 Bonds or to support the continued operation and maintenance of the Facilities. The lease payments payable by the Board under the Facilities Lease are payable solely from Series 2004 Lawfully Available Funds as provided herein and the Board is not legally committed, obligated or required to make available any other funds to make the lease payments thereunder.

Housing Occupancy

| | Fall 2013 | | | Fall 2012 | | | Fall 2011 | | | Fall 2010 | | | Fall 2009 | | |
|-------------------------------|-------------|-----------------|--------------|-------------|-----------------|------------|-------------|-----------------|-------------|-------------|-----------------|-------------|-------------|-----------------|-------------|
| | # Beds* | Number Occupied | % Occupied | # Beds | Number Occupied | % Occupied | # Beds | Number Occupied | % Occupied | # Beds | Number Occupied | % Occupied | # Beds | Number Occupied | % Occupied |
| Residence Halls* | 1806 | 1777 | 98% | 1711 | 1703 | 99% | 1711 | 1727 | 101% | 1711 | 1781 | 104% | 1711 | 1747 | 102% |
| The Village Southeastern Oaks | 270 | 263 | 97% | 270 | 261 | 97% | 270 | 261 | 97% | 270 | 270 | 100% | 270 | 266 | 99% |
| Total | 2388 | 2337 | 98%** | 2293 | 2268 | 99% | 2293 | 2299 | 100% | 2293 | 2360 | 103% | 2293 | 2317 | 101% |

* Added Cardinal Newman Hall, 95 beds.

**Presented as of the fourteenth (14th) day of classes. The University is currently working to place students on the waiting list into vacant beds.

Source: Southeastern Controller's office.

The University has experienced a waiting list for on-campus housing for the past six (6) fall semesters. In an effort to accommodate some of the demand, private rooms are being rented as shared spaces. As a result, occupancy has been at or near capacity for the sixth (6th) consecutive year.

Historical Debt Service Coverage

The Facilities Lease will require the Board to make Rental Payments to satisfy debt service requirements on the Series 2013 Bonds and the Series 2004B Bonds from Series 2004 Lawfully Available Funds, which include all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, however, as a practical matter the Rents from the Housing Facilities will be the primary source for Rental payments. In addition, the rate maintenance covenant contained in the Facilities Lease requires the Board to meet certain coverage requirements for both the Housing Facilities and the University. See **“THE FACILITIES LEASE – Rate Maintenance Covenant”** herein. The following presentation shows the University’s Debt Service Coverage Ratio for the Housing Facilities for fiscal years 2009-2013.

[Remainder of this page intentionally left blank]

| | <u>Fiscal Year 6/30/13</u> | <u>Fiscal Year 6/30/12</u> | <u>Fiscal Year 6/30/11</u> | <u>Fiscal Year 6/30/10</u> | <u>Fiscal Year 6/30/09</u> |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <u>University Auxiliary Services Revenues</u> | | | | | |
| Auxiliary Services Revenue | \$8,081,352 | \$7,083,825 | \$7,442,754 | \$7,691,242 | \$7,406,894 |
| Auxiliary Expenditures | <u>(6,269,603)</u> | <u>(6,170,500)</u> | <u>(5,917,353)</u> | <u>(5,655,606)</u> | <u>(5,928,431)</u> |
| Pledged Funds Available from Auxiliary Revenues* | 1,811,749 | 913,325 | 1,525,401 | 2,035,636 | 1,478,463 |
| University Housing/University Facilities, Inc. | | | | | |
| Housing/UFI Revenues | 11,740,992 | 11,737,986 | 11,776,465 | 11,209,990 | 10,736,912 |
| Housing/UFI Expenditures | <u>(5,263,624)</u> | <u>(5,120,421)</u> | <u>(5,009,276)</u> | <u>(4,649,410)</u> | <u>(4,647,278)</u> |
| Pledged Funds Available from Housing/ UFI Revenues | 6,477,368 | 6,617,565 | 6,767,189 | 6,556,580 | 6,089,634 |
| Total Pledged Funds Available | 8,289,117 | 7,530,890 | 8,292,590 | 8,596,216 | 7,568,097 |
| Annual Debt Service | 4,341,825 | 4,245,015 | 4,153,532 | 4,306,996 | 4,229,132 |
| Debt Service Coverage (Housing Revenues Only) | 1.49 | 1.56 | 1.63 | 1.52 | 1.44 |
| Debt Service Coverage (Available Auxiliary/Housing) | 1.91 | 1.77 | 2.00 | 2.00 | 1.79 |

*Auxiliary Revenues are also pledged as a part of the security for the Series 2007 Bonds; however, the University has not been reliant upon Auxiliary Revenues to make the required payments on the Series 2007 Bonds. See "APPENDIX A – DEBT MANAGEMENT" for a historical calculation of debt service coverage for the Series 2007 Bonds based solely on Student Parking Fees.

Source: Southeastern Controller's office.

Trust Estate

The Series 2013 Bonds are special limited obligations of the Authority payable from the Trust Estate held for the benefit of the Bondholders pursuant to the Indenture. The Series 2013 Bonds are not payable from any other revenues, funds, or assets of the Authority. The Trust Estate will include: (i) all right, title, and interest of the Authority in, to and under the Loan Agreement, the Ground Lease and the Facilities Lease, and (ii) moneys held in funds and accounts (other than the Rebate Fund) established pursuant to the Indenture. The obligation of the Board to make rental payments under the Facilities Lease is subject to, and dependent upon, the University's budgeting and appropriating funds necessary to make payments required under the Facilities Lease. Any discussion in this Official Statement concerning the Trust Estate or any other source of payment for the Series 2013 Bonds should be construed with respect to any particular Series 2013 Bond to be limited to the extent described in this paragraph. The Trustee has no authority to extend the time for any Payment of principal, premium, or interest without the prior written consent of or authorization of the owners of the Series 2013 Bonds so affected.

Mortgage

In connection with the issuance of the Series 2004 Bonds, the Corporation executed an Act of Mortgage, Assignment of Leases and Security Agreement dated August 13, 2004 in favor of the Trustee (the "Mortgage"). The Mortgage covers the leasehold interest in the Property and secures payments of the Series 2004 Bonds and any Additional Bonds, including the Series 2013 Bonds. The Corporation has additionally granted to the Trustee a first priority security interest in the leases and subleases affecting the Property and/or the Housing Facilities, including, without limitation, the Facilities Lease (collectively, the "Leases") and all revenues, rentals, and other sums due or becoming due under the Leases. Nevertheless, certain interests and claims of others may be on a parity with or prior to the grant of such security interest and certain statutes and other provisions may limit the Corporation's and the

Authority's rights to make such pledges, assignments, and/or grants of security interests. Examples of such claims, interests, and provisions are:

- (1) statutory liens;
- (2) the Louisiana Uniform Commercial Code may not recognize a security interest in future revenues derived from the Facilities;
- (3) constructive trusts, equitable liens, or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction;
- (4) federal bankruptcy laws as they affect amounts earned with respect to the Facilities after any effectual institution of bankruptcy proceedings by or against the Corporation or the Authority;
- (5) 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;
- (6) items not in possession of the Trustee, the records to which are located or moved outside the State of Louisiana, which are thereby not subject to or are removed from the operation of Louisiana law; and
- (7) the requirement that appropriate continuation statements be filed in accordance with the Louisiana Uniform Commercial Code as from time to time in effect.

Limitation of Authority's Obligations

THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

Funds and Accounts

The Indenture will create the following funds and accounts which will be held by the Trustee: (i) Series 2013 Bond Proceeds Fund, with a Series 2013 Costs of Issuance Account therein; (ii) Series 2013 Debt Service Fund, and the following accounts therein: (1) Interest Account and (2) Principal Account; (iii) Series 2013 Debt Service Reserve Fund; and (iv) Series 2013 Rebate Fund. In addition, the following funds previously established pursuant to the Original Indenture will be maintained and held for the common benefit of the Series 2013 Bonds and the Series 2004B Bonds: (i) Replacement Fund; (ii) Receipts Fund; and (iii) Surplus Fund.

Series 2013 Bond Proceeds Fund. On or prior to the Closing Date, the Series 2013 Bond Proceeds Fund will be used to receive the proceeds of the Series 2013 Bonds, a transfer from the Series 2004 Debt Service Reserve Fund held by the Trustee and the Board Contribution. Any fund received prior to the Closing Date may be held uninvested. On the Closing Date, the Trustee will disburse amounts held in the Series 2013 Bond Proceeds Fund as follows:

- (a) to retain such sum in the Series 2013 Costs of Issuance Account as may be specified in the request and authorization delivered pursuant to the Indenture; and
- (b) to transfer to the Series 2013 Debt Service Reserve Fund an amount equal to the Series 2013 Debt Service Reserve Fund Requirement;

(c) to transfer to the Escrow Trustee for deposit to the Escrow Fund the balance of the proceeds of the Series 2013 Bonds and the Board Contribution.

Amounts deposited on the Closing Date into the Series 2013 Costs of Issuance Account of the Series 2013 Bond Proceeds Fund will be disbursed, pursuant to the written instructions of the Authority, to pay Costs of Issuance. The Trustee will be authorized and directed to pay such Costs of Issuance in accordance with payment instructions set forth in the respective invoices submitted to the Trustee for payment pursuant to such written instructions of the Authority. Any amounts remaining in the Series 2013 Costs of Issuance Account 180 days after delivery of the Series 2013 Bonds (and not specifically committed to pay additional Costs of Issuance) will be deposited into the Interest Account of the Series 2013 Debt Service Fund.

Series 2013 Debt Service Fund. The Trustee will deposit into the applicable account of the Series 2013 Debt Service Fund the amounts required by the Indenture.

Moneys on deposit in the Interest Account of the Series 2013 Debt Service Fund will be used solely to pay the interest on the Series 2013 Bonds as it becomes due and payable, whether on an Interest Payment Date, at maturity or upon acceleration.

Moneys on deposit in the Principal Account of the Series 2013 Debt Service Fund will be used solely to pay the principal of the Series 2013 Bonds as it becomes due and payable, whether at maturity, prior redemption or upon scheduled sinking fund redemption; and, if funds are available for such purpose and at the written direction of the Authority, to effect the redemption of the Series 2013 Bonds prior to their maturity in accordance with the redemption provisions thereof or the purchase of Series 2013 Bonds prior to their maturity in the open market at a price not in excess of the then applicable redemption price (the principal amount thereof, premium, if any, plus accrued interest).

Whenever and to the extent that money on deposit in the Interest Account or the Principal Account is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, the Trustee will transfer money from the Surplus Fund, the Replacement Fund and the Debt Service Reserve Fund, in that order.

Replacement Fund. The Replacement Fund was established pursuant to the Original Indenture and will be maintained with the Trustee and used to fund the cost of replacing any worn out, obsolete, inadequate, unsuitable, or undesirable property, furniture, fixtures, or equipment placed upon or used in connection with the Housing Facilities. The Replacement Fund will be funded annually in the amount of \$122,987.38 as set forth below. The current balance in the Replacement Fund is \$11,016,882. Moneys in the Replacement Fund may also be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts, together with money available therefor in the Surplus Fund, is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Series 2013 Rebate Fund. Moneys deposited and held in the Series 2013 Rebate Fund will be used to make all rebate payments owed to the United States under the Code, and will not be subject to the pledge of the Indenture. The Corporation will be required to make the calculation(s) required by the Code and the Tax Regulatory Agreement and to direct the Trustee to make deposits to and make disbursements from the Series 2013 Rebate Fund that the Corporation determines are in accordance therewith. The Tax Regulatory Agreement and any provisions of the Indenture governing deposits to the Series 2013 Rebate Fund may be superseded or amended by the Corporation (except the requirement of annual calculations and deposits to the Series 2013 Rebate Fund, if required) if accompanied by an opinion of Bond Counsel addressed to the Corporation and the Trustee to the effect that the use of the new Tax Regulatory Agreement will not cause the interest on the Series 2013 Bonds to become includable in gross income of the recipient thereof for federal tax purposes.

Receipts Fund. There will continue to be deposited into the Receipts Fund, all funds received by or paid on behalf of the Board under the Facilities Lease, including (i) daily, all rents, charges and other amounts, held in the deposit account maintained by any Management Company pursuant to any Management Agreement; and (ii) all Lawfully Available Funds from the Board used to make Base Rental Payments pursuant to the Facilities Lease. The

Trustee will transfer the amount so deposited in the Receipts Fund to the Series 2004 Debt Service Fund and the Series 2013 Debt Service Fund without distinction or priority. Moneys on deposit in the Receipts Fund will be withdrawn by the Trustee in accordance with the requirements of the Indenture and ratably on a parity therewith and applied in the following priority:

(a) At such time as may be required by the Tax Regulatory Agreement but not less often than annually, to the Rebate Fund and the Series 2013 Rebate Fund the amount required to be deposited thereunder;

(b) On the twenty-fifth (25th) day of each month, beginning on the twenty-fifth (25th) day of the month following the effective date of any Management Agreement, to the Operating Fund (as defined in the Management Agreement) maintained by the Management Company, an amount necessary to make the amount in the Operating Fund equal to the Operating Expenses for the next month as shown on the Operating Budget (as defined in the Management Agreement) for such month, as certified by the Management Company;

(c) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on February 1, 2014 and thereafter, on the twenty-fifth (25th) day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds the next February 1 and August 1 or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds and Series 2013 Bonds on such Interest Payment Date;

(d) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at an Auction Rate on such Interest Payment Date;

(e) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at a Variable Rate on such Interest Payment Date;

(f) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Principal Account of the Series 2004 Debt Service Fund and the Principal Account of the Series 2013 Debt Service Fund an amount equal to one-ninth (1/9th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the twenty-fifth (25th) day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on the next Principal Payment Date;

(g) On the twenty-fifth (25th) day of the month, any amounts due to the Series 2004 Bond Insurer under the Reimbursement Agreement;

(h) On the twenty-fifth (25th) day of each month following any drawing on the Debt Service Reserve Fund in accordance with the Original Indenture or any drawing on the Series 2013 Debt Service Reserve Fund, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement for the Series 2004B Bonds and the Series 2013 Debt Service Reserve Fund to equal the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds within twelve (12) months or (ii) the excess of the Debt Service Reserve Fund Requirement for the Series 2004 Bonds or the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds over the amount on deposit in the Debt Service Reserve Fund or the Series 2013 Debt Service Reserve Fund;

(i) Annually, beginning August 1, 2014, an amount equal to \$122,987.38 into the Replacement Fund, with such amount increased each year, beginning August 1, 2015 at a rate of 3% annually; or such lesser annual amount as is permitted by the Board of Regents and approved by the Series 2004 Bond Insurer in each case, as set forth in writing delivered in advance thereof to the Trustee; and, in the event that any funds shall have been withdrawn from the Replacement Fund to cure any deficiency in the Interest Account or the Principal Account of the Series 2004 Debt Service Fund or the Interest Account or the Principal Account of the Series 2013 Debt Service Fund pursuant to the Indenture, the amount of such withdrawal;

(j) On the twenty-fifth (25th) day of each month, commencing the month following the effective date of any Management Agreement, an amount equal to the monthly Management Fee for the current Fiscal Year plus any Management Fee for any prior month that remains unpaid; and

(k) Annually on August 1 of each year beginning August 1, 2014 any amounts remaining in the Receipts Fund after making all transfers required to be made on such date pursuant to (a) through (k) above shall be transferred to the Surplus Fund and applied as set forth in the Indenture.

After a Variable Rate Conversion of the Series 2004B Bonds, payments will be made from the Receipts Fund to the Series 2004 Debt Service Fund in accordance with the supplemental indenture executed in connection with such Variable Rate Conversion.

Series 2013 Debt Service Reserve Fund. Moneys on deposit in the Series 2013 Debt Service Reserve Fund will be maintained in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement, and will be transferred in accordance with the priority set forth in the Indenture, to the Interest Account or the Principal Account of the Series 2013 Debt Service Fund in such amount as necessary to remedy any deficiencies therein (taking into account any amounts available therefor in the Surplus Fund and the Replacement Fund). Whenever the amount in the Series 2013 Debt Service Reserve Fund, together with the amount in the Series 2013 Debt Service Fund, is sufficient to pay in full all outstanding Series 2013 Bonds in accordance with their terms, the funds on deposit in the Series 2013 Debt Service Reserve Fund will be transferred to the Series 2013 Debt Service Fund and will be available to pay all outstanding Series 2013 Bonds in accordance with their terms. If the balance of the Series 2013 Debt Service Reserve Fund is greater than the Series 2013 Debt Service Reserve Fund Requirement, all amounts in the Series 2013 Debt Service Reserve Fund in excess of the Series 2013 Debt Service Reserve Fund Requirement will be transferred to the Interest Account of the Series 2013 Debt Service Fund. In no event shall moneys in the Series 2013 Debt Service Reserve Fund be used to make payments of principal and/or interest on the Series 2004B Bonds.

Surplus Fund. The Surplus Fund will continue to be maintained with the Trustee. Upon satisfaction of certain performance covenants contained in the Indenture, funds on deposit in the Surplus Fund at the end of any Fiscal Year will be transferred to the University. Until such transfer, moneys in the Surplus Fund will be available to be transferred to the Interest Account and/or the Principal Account of the Debt Service Fund or Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

BONDHOLDERS' RISKS

Introduction

AN INVESTMENT IN THE BONDS INVOLVES A DEGREE OF RISK BECAUSE OF THE VARIOUS RISKS DESCRIBED IN THIS OFFICIAL STATEMENT. No person should purchase any of the Series 2013 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. Furthermore, the tax-exempt feature of the Series 2013 Bonds is relatively more valuable to high tax bracket investors than to investors who are in the lower tax brackets, and so the value of the interest compensation to any particular investor will vary with his or her marginal tax rate. Each prospective investor should, therefore, determine his or her present and anticipated marginal tax rate before investing in the Bonds. 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 2013 Bonds are an appropriate investment.

Identified and summarized below are a number of “Bondholders’ Risks” that could adversely affect the operation of the Facilities and/or the payment of the Series 2013 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.

Series 2004 Lawfully Available Funds

If the Board is unable to generate sufficient revenues from Series 2004 Lawfully Available Funds to make the Rental payments required by the Facilities Lease, an Event of Default may occur under the Indenture. Upon an Event of Default, the Series 2013 Bonds may not be paid or may be paid before maturity or applicable redemption dates and a forfeiture of redemption premiums may result. The Board’s ability to generate Rents and its overall financial condition may be adversely affected by a wide variety of future events and conditions including (i) a decline in the enrollment of the University, (ii) increased competition from other schools, (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, (v) cost overruns in connection with capital improvements, and (vi) occupancy rates of the Housing Facilities. See “**THE HOUSING FACILITIES**” herein for a discussion of construction issues that could affect occupancy of the Housing Facilities.

Special Nature of the Housing Facilities

The Housing Facilities have been constructed to serve as student housing facilities and are located on the campus of the University. If it were necessary to sell the Corporation’s interest in the Ground Lease pursuant to the Mortgage upon an Event of Default, the special use nature of the Housing Facilities and the fact that the interest to be sold is in the nature of a leasehold interest and subject to the terms of the Ground Lease may curtail the purchase price that could be obtained, and the net proceeds received may be less than the principal amount of the Series 2013 Bonds and the Series 2004B Bonds Outstanding. **For all practical purposes, payment of the Series 2013 Bonds is dependent upon the continued occupancy and operation of the Housing Facilities.**

Selective Admissions Standards

Prior to the Fall 2000 semester, the University maintained an open admissions standard, whereby persons with high school diplomas or their equivalent could enroll as a new student at the University regardless of grade point average or college entrance exam scores. Beginning the Fall 2000 semester, the University implemented selective admissions standards, whereby students may, with certain exceptions, enroll at the University only if they achieve certain standards to include grade point averages and college entrance exams. Following implementation of the selective admissions standards, enrollment at the University dropped slightly and, although enrollment is currently reaching levels maintained prior to the implementation of the selective admissions standards, no assurance can be given that current enrollment levels will be maintained. However, admissions standards were raised again in 2004 and 2005 and additional admissions standards were implemented in 2010 and 2012 with little to no impact on overall enrollment. Enrollment remains stable, consistently reaching or exceeding 15,000 students since 2008. Additional changes in admissions criteria are expected in 2014 for which the University is positioning itself well to implement these standards with minimal impact on the University.

Operating Budget Environment

In the 2012-2013 fiscal year, the University faced another reduction in state appropriations in the amount of approximately \$6.2 million. In addition, approximately \$6.3 million provided as carried forward funds into the 2011-2012 fiscal year were not reauthorized. To assist the University in recouping a portion of the lost revenues from the state, another 10% tuition increase, made available through the LA GRAD Act and Act 915 of the 2008 Regular Session of the Louisiana Legislature, provided an increase in support of approximately \$5.2 million. This resulted in a net reduction in available resources in the university operating fund of approximately \$7.3 million. In addition, the Board of Supervisors modified its policy allowing universities to charge a utility surcharge fee. This modification generated approximately \$1.5 million that could be used to pay for utilities previously charged to the university’s operating fund. The largest portion of the above reduction was accommodated through the reduction of administrative costs and a reduction in physical plant operations.

In the 2013-2014 fiscal year, state appropriations continued to decrease. There was a reduction of state support of approximately \$7.7 million. However, the majority of this was offset by an increase of approximately \$6.1

million in student tuition as allowed by the LA GRAD Act and Act 915 of the 2008 Regular Session as well as a one-time allocation from the State of \$1.1 million. As a result, the net decrease in total operating support in the 2013-2014 fiscal year was only \$.5 million. The majority of this reduction was made up by a change in policy as it relates to scholarship distributions. The balance of the reductions were spread somewhat evenly to the functional categories of public service, academic support, student services, institutional support and plant operation/maintenance. Even though the university had a reduction in resources available to the operating fund, the instructional category which serves the core function of the University, increased by almost \$1.6 million or approximately 3%.

Housing on the University campus remains in high demand. The University has experienced a waiting list for on-campus housing for the past six (6) fall semesters. In an effort to accommodate some of the demand, private rooms are being rented as shared spaces. As a result, occupancy has been at or near capacity for the sixth (6th) consecutive year.

Even with the major budget reductions and increases in tuition, the University remains vibrant. Tuition rates, even given the increases, remain low when compared to other peer institutions; population growth in key markets remains high; and the University's position as a college of "choice" for higher quality students continues to increase.

Appropriation of Rental by the Board

The Facilities are being leased by the Corporation to the Board on behalf of the University pursuant to the Facilities Lease. The obligation of the Board on behalf of the University to pay rental to the Corporation under the Facilities Lease is subject to, and dependent upon, appropriation by the Board in its budget process of funds necessary to make payments of rental required under the Facilities Lease. Although each of the Board and University acknowledges its obligation to budget annually an amount sufficient to make payments of rental under the Facilities Lease, notwithstanding this obligation such amounts may or may not ultimately be appropriated by the Board for such purpose. Further, both the Corporation and the Board acknowledge the Board's obligation on behalf of the University to pay rental shall not be construed as a debt of the Board, nor a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

Litigation

While there may be lawsuits pending involving either the University or the Board, it is not possible to confer with every attorney handling such matters. Furthermore, it would be impossible to predict the outcome of all such cases. However, to the extent that there are adverse judgments in excess of the Board's insurance policy limits, such judgment may be satisfied only through appropriation by the Louisiana Legislature because Board assets are not available to satisfy such judgments.

Risk Factors Inherent in Higher Education

There are a number of factors affecting institutions of higher education in general, including the University, that could have an adverse effect on the Board's financial position and its ability to make the payments of Rental required by the Facilities Lease. These factors include the rising costs of providing higher education services; the expected decline in the number of college-age persons in the country generally; the failure to maintain or increase in the future the funds obtained by the Board from other sources, including gifts and contributions from donors, grants or appropriations from governmental bodies and income from investment of endowment funds; adverse results from the investment of endowment funds; increasing costs of compliance with federal or State regulatory laws or regulations, including, without limitation, laws or regulations concerning environmental quality, work safety and accommodating the handicapped; and legislation or regulation which may affect student aid and other program funding. The Board cannot assess or predict the ultimate effect of these factors on its operation or financial results of operations.

Effect of Determination of Taxability

The Corporation and the Board will covenant not to take any action that would cause the Series 2013 Bonds to be arbitrage bonds or that would otherwise adversely affect the federal income tax status of interest in the Series 2013 Bonds. The Corporation and the Board will also make representations with respect to certain matters within their knowledge that have been relied on by Bond Counsel and that Bond Counsel has not independently verified. Failure to

comply with such covenants could cause interest on the Series 2013 Bonds to become subject to federal income taxation retroactively from their date of issuance.

It is possible that a period of time may elapse between the occurrence of the event that causes interest to become taxable and the determination that such an event has occurred. In such a case, interest previously paid on the Series 2013 Bonds could become retroactively taxable from the date of their issuance. Additionally, certain owners of the Series 2013 Bonds are subject to possible adverse tax consequences. See “**TAX EXEMPTION**” herein.

Consequences of Changes in the Corporation’s or the University’s Tax Status

The Corporation has obtained a determination letter from the Internal Revenue Service stating that it will be treated as an exempt organization as described in §501(c)(3) of the Code and can reasonably be expected to not be classified as a “private foundation.” In order to maintain its exempt status and to not be considered a private foundation, the Corporation will be subject to a number of requirements affecting its operation. The possible modification or repeal of certain existing federal income tax laws, the change of Internal Revenue Service policies or positions, the change of the Corporation’s method of operations, purposes or character or other factors could result in loss by the foundation of its tax-exempt status.

The Corporation will covenant to cause to remain eligible for such tax-exempt status and to avoid operating the Facilities as an unrelated trade or business (as determined by applying §512(a) of the Code). Failure of the Facilities to remain so qualified or of the Corporation so to operate the Facilities could affect the funds available to the Corporation for payments under the Loan Agreement by subjecting the Corporation to federal income taxation and could result in the loss of the excludability of interest on the Series 2013 Bonds from gross income for purposes of federal income taxation. Potential investors should note that in such event, the provisions of the Indenture relating to a Determination of Taxability may be applicable. Continuation of the tax-exempt status of the Series 2013 Bonds may also be dependent upon the continuing tax-exempt status of the University. See “**BONDHOLDERS’ RISKS – Effect of Determination of Taxability**” above.

Taxation of Bonds

An opinion of Bond Counsel will be obtained as described under “**TAX EXEMPTION**” herein. Such an opinion is not binding on the Internal Revenue Service. Application for a ruling from the Internal Revenue Service regarding the status of the interest on the Bonds has not been made. The opinion of Bond Counsel contains certain exceptions and is based on certain assumptions described herein under the heading “**TAX EXEMPTION.**” Failure by the Board or the Corporation to comply with certain provisions of the Code and covenants contained in the Bond Resolution and the Tax Certificate could result in interest on the Series 2013 Bonds becoming includable in gross income for federal tax purposes.

An opinion of Bond Counsel will be obtained regarding the exemption of interest on the Series 2013 Bonds from certain taxation by the State of Louisiana, as described under “**TAX EXEMPTION**” herein. Bond Counsel has not opined as to whether interest on the Series 2013 Bonds is subject to state or local income taxation in jurisdictions other than Louisiana. Interest on the Series 2013 Bonds may or may not be subject to state or local income taxation in jurisdictions other than Louisiana under applicable state or local laws. Each purchaser of the Series 2013 Bonds should consult his or her own tax advisor regarding the taxable status of the Bonds in a particular state or local jurisdiction.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the market value of the Series 2013 Bonds. Examples of such proposals include, but are not limited to, the American Jobs Act and the Debt Reduction Act as proposed by President Obama’s administration and introduced in the current Congress. It cannot be predicted whether or in what form any such proposals might be enacted or whether if enacted such proposals would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2013 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2013 Bonds or the

market value thereof would be impacted thereby. Prospective purchasers of the Series 2013 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation.

Market for the Bonds

There can be no assurance that a secondary market exists, or that the Series 2013 Bonds can be sold for any particular price. Accordingly, a purchaser of the Series 2013 Bonds should recognize that an investment in the Series 2013 Bonds will in all likelihood not be liquid and be prepared to have his or her funds committed until the Series 2013 Bonds mature or are redeemed.

LITIGATION

The Authority

There is no litigation now pending or threatened against the Authority, of which the Authority has knowledge, that restrains or enjoins the issuance or delivery of the Series 2013 Bonds or questions or affects the validity of the Series 2013 Bonds or the proceedings and authority under which they are to be issued. To the Authority's knowledge, neither the creation, organization, or existence of the Authority, nor the title of the present members or other officers of the Authority to their respective offices, is being contested or questioned. There is no litigation now pending or threatened against the Authority, of which the Authority has knowledge, that in any manner questions the right of the Authority to enter into the Indenture or the Loan Agreement to secure the Series 2013 Bonds in the manner provided in the Indenture.

The Corporation

There is no litigation now pending or threatened against the Corporation, of which the Corporation has knowledge, that in any manner questions the right of the Corporation to enter into or perform its obligations under the Loan Agreement, the Leases or the Assignment or that individually or in the aggregate would adversely affect the operations of the Corporation, financial or otherwise.

CONFLICTS OF INTEREST; RELATIONSHIPS

Stephen M. Smith is a member of the Board of Directors of the Corporation and also previously served as Vice President for Administration and Finance of the University and currently serves as Interim Budget Director for the University. Joseph Morris serves as the Executive Director of the Corporation and is also an Associate Professor at the University.

TAX EXEMPTION

In the opinion of Jones Walker LLP, Bond Counsel, under existing law and assuming continuing compliance with covenants of the Authority and the Corporation designed to meet the applicable requirements of the Code, interest on the Series 2013 Bonds is excluded from gross income for federal income purposes except as provided below.

Interest on the Series 2013 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations under the Code; however, for the purpose of computing the federal alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings.

General

The Code imposes a number of requirements that must be satisfied in order for interest on state or local obligations, such as the Series 2013 Bonds to be excluded from gross income for federal income tax purposes. The Authority has covenanted in the Indenture and the Corporation has covenanted in the Loan Agreement that they will comply with these requirements in order to maintain the exclusion from gross income of interest on the Series 2013 Bonds for purposes of federal income taxation. Bond Counsel's opinion will assume continuing compliance with those covenants set forth in the Indenture and the Loan Agreement pertaining to those sections of the Code that

affect the exclusion from gross income of interest on Series 2013 Bonds for federal income tax purposes and, in addition, will rely on representations by the Authority and the Corporation with respect to matters solely within their knowledge which Bond Counsel has not independently verified. If the Authority and the Corporation should fail to comply with the covenants in the Indenture or the Loan Agreement, as the case may be, or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Series 2013 Bonds could become included in gross income for federal income tax purposes from the date of delivery of the Series 2013 Bonds regardless of the date on which the event causing such includability occurs.

Although Bond Counsel has rendered an opinion that interest on the Series 2013 Bonds is excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the Series 2013 Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Owners of the Series 2013 Bonds should be aware that the ownership of tax-exempt obligations, such as the Series 2013 Bonds may result in collateral federal income tax consequences to certain taxpayers. Furthermore, future law and/or regulations enacted by federal, state or local authorities may affect certain owners of the Series 2013 Bonds.

Except as stated above, Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt of interest on or disposition of the Series 2013 Bonds.

PROSPECTIVE PURCHASERS OF THE SERIES 2013 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2013 BONDS AS TO THE IMPACT OF THE FEDERAL, STATE AND LOCAL CONSEQUENCES OF ACQUIRING, HOLDING OR DISPOSING OF THE SERIES 2013 BONDS.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress or in the various states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the market value of the Series 2013 Bonds. It cannot be predicted with certainty whether or in what form any proposed legislation might be enacted or whether if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2013 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2013 Bonds or the market value thereof, would be impacted thereby. Purchasers of the Series 2013 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation.

It is not an event of default on the Series 2013 Bonds if legislation is enacted reducing or eliminating the exclusion of interest on state and local government bonds from gross income for federal or state income tax purposes.

Tax Treatment of Premium

Certain maturities of the Series 2013 Bonds may be offered and sold to the public at a premium (the "Premium Bonds"). The premium is the excess of the issue price over the stated redemption price at maturity and must be amortized on an actuarial basis by the owner of the Premium Bonds from the date of acquisition of the Premium Bonds through the maturity date thereof. The premium is not deductible for federal income tax purposes, and owners of the Premium Bonds are required to reduce their basis in the Premium Bonds by the amount of premium that accrued while they owned such Premium Bonds. Owners of the Premium Bonds (including owners that purchase a Premium Bond other than pursuant to the initial public offering) should consult their own tax advisors as to the determination for federal income tax purposes of the amount of premium amortized each year with respect to the Premium Bonds, the adjusted basis of the Premium Bonds for purposes of determining the taxable gain or loss upon the sale or other disposition of the Premium Bonds (prior to maturity and at maturity), and all other federal tax consequences and any state and local tax aspects of owning the Premium Bonds.

Tax Treatment of Original Issue Discount

Certain maturities of the Series 2013 Bonds may be sold at an original issue discount (the “OID Bonds”). The difference between the initial public offering price, as set forth on the inside cover page hereof, of the OID Bonds and their stated principal amount payable at maturity constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes and which is exempt from all taxation in the State of Louisiana subject to the caveats and provisions described above under “TAX EXEMPTION – General.”

In the case of an owner of an OID Bond, the amount of original issue discount which is treated as having accrued with respect to such OID Bond, is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such OID Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of such an OID Bond which are attributable to accrued original issue discount will be treated as tax exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual OID Bond, on days which are determined by reference to the maturity date of such OID Bond. The amount treated as original issue discount on such OID Bond for a particular semiannual period is equal to (i) the product of (a) the yield to maturity for such OID Bond and (b) the amount which would have been the tax basis of such OID Bond at the beginning of the particular semiannual period if held by the original purchaser, (ii) less the amount of any payments on such OID Bond during the semiannual period. The tax basis is determined by adding to the initial public offering price on such OID Bond the sum of the amounts which would have been treated as original issue discount for such purposes during all prior periods. If such an OID Bond is sold between compounding dates, original issue discount which would have accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of OID Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of original issue discount accrued with respect to such OID Bonds as of any date, with respect to the accrual of original issue discount for such OID Bonds purchased on the secondary markets and with respect to the state and local tax consequences of owning such OID Bonds.

Non-Qualified Tax-Exempt Obligations for Financial Institutions

The Authority cannot designate the Series 2013 Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Code. Therefore, interest paid or incurred by a taxpayer, including a “financial institution”, on indebtedness incurred or continued to purchase or carry the Series 2013 Bonds is not deductible by such taxpayer in determining taxable income.

Louisiana Taxes

In the opinion of Bond Counsel, pursuant to the Refunding Act, the Series 2013 Bonds, and the income therefrom, are exempt from all taxation by the State of Louisiana or any political subdivision thereof.

UNDERWRITING

The Authority is offering the Series 2013 Bonds through a syndicate headed by Stephens Inc. (the “Underwriter”), pursuant to a Bond Purchase Agreement. The obligation of the Underwriter to sell the Series 2013 Bonds will be subject to various conditions contained in the Bond Purchase Agreement.

The Underwriter is purchasing the Series 2013 Bonds and intends to offer the Series 2013 Bonds to the original purchasers thereof at the offering prices set forth on the cover page of this Official Statement, which offering prices may subsequently be changed without any requirement of prior notice. The purchase price of the Series 2013 Bonds is \$_____ which is equal to the par amount of the Series 2013 Bonds plus a net reoffering premium of \$_____ and less an Underwriter’s discount of \$_____. The Bond Purchase Agreement executed by the Underwriter, on behalf of itself and Raymond James & Associates, Inc. provides that the Underwriter will purchase all of the Series 2013 Bonds if any are not purchased. The Underwriter has reserved the right to permit other securities dealers who are members of the National Association of Securities Dealers, Inc. to assist in selling the Series 2013 Bonds. The Underwriter may offer and sell Series 2013 Bonds to certain dealers at prices lower

than the public offering price or otherwise allow concessions to such dealers who may re-allow concessions to other dealers. Any discounts and/or commissions that may be received by such dealers in connection with the sale of the Series 2013 Bonds will be deducted from the Underwriter's discount.

RATING OF THE SERIES 2013 BONDS

Moody's Investors Service, Inc. ("Moody's") is expected to assign the Series 2013 Bonds the long-term rating of "A3 (stable outlook)." An explanation of the significance of such rating may be obtained from Moody's. Such rating reflects only the view of Moody's, and neither the Authority, the University nor the Underwriter makes any representation as to the appropriateness thereof.

There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely, if in the judgment of Moody's, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2013 Bonds.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the Series 2013 Bonds will be subject to the approving opinion of Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, the form of which is included as **APPENDIX C** hereto. Certain legal matters will be passed on for the Authority by its counsel, Breithaupt, Dunn, DuBos, Shafto & Wolleson, LLC, Monroe, Louisiana, for the Corporation by its counsel, Seale & Ross, a Professional Law Corporation, Hammond, Louisiana, for the Board by its counsel, DeCuir, Clark & Adams, L.L.P., Baton Rouge, Louisiana and for the Underwriter by its counsel, Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Baton Rouge, Louisiana.

Bond Counsel has been employed primarily for the purpose of preparing certain legal documents and supporting certificates, reviewing the transcript of proceedings by which the Series 2013 Bonds have been authorized to be issued, and rendering opinions in conventional form as to the validity and legality of the Series 2013 Bonds and to the exemption or lack thereof of interest thereon from income taxation by the United States of America and the State of Louisiana. While Bond Counsel has assisted in the preparation of this Official Statement and is of the opinion that the statements made herein under the headings "**THE SERIES 2013 BONDS**," "**TAX EXEMPTION**," "**LEGAL MATTERS**" and "**FORMS OF PRINCIPAL FINANCING DOCUMENTS**" in **APPENDIX B** hereto fairly summarize the matters there referred to, such counsel has not been requested to check or verify, has not checked or verified, and will express no opinion with respect to the accuracy, completeness, or fairness of any other information contained in this Official Statement (other than the form of legal opinion set forth in **APPENDIX C**).

None of the legal counsel referenced in this Official Statement has (a) participated in the underwriting of the Series 2013 Bonds, (b) provided any advice regarding the creditworthiness of the Series 2013 Bonds or (c) assisted in determining the value of the collateral for the Series 2013 Bonds upon the occurrence of an event of default. Legal counsel have solely and exclusively opined to those matters which are expressly set forth in their opinions which are attached hereto or which have been delivered in connection herewith and no holder of a Series 2013 Bond shall be authorized or entitled to infer that such legal counsel have rendered opinions beyond those stated in their written opinions or to rely on the participation of counsel in this transaction. Except for negligent errors in their express written opinions, legal counsel shall have no obligations to holders of the Series 2013 Bonds and holders of the Series 2013 Bonds must not rely either expressly or implicitly upon such counsel in determining whether the Series 2013 Bonds represent suitable investments or otherwise meet their creditworthiness and risk tolerance standards.

CONTINUING DISCLOSURE

The Authority has determined that no financial or operating data concerning the Authority is material to an evaluation of the offering of the Series 2013 Bonds or to any decisions to purchase, hold or sell the Series 2013 Bonds, and the Authority will not provide any such information. The Board has undertaken all responsibilities for any continuing disclosure to Owners of the Series 2013 Bonds as described below, and the Authority will have no liability to the Owners of the Series 2013 Bonds or any other person with respect to such disclosures.

Pursuant to a Continuing Disclosure Certificate, the Board, through the University, will covenant for the benefit of Bondowners to provide, or cause its Dissemination Agent to provide, certain financial information and operating data relating to the Board by not later than December 31 in each year commencing December 31, 2013, (the “**Annual Report**”), and to provide notices of the occurrence of certain enumerated events, if deemed by the Board to be material (the “**Undertaking**”). The specific nature of the information to be contained in the Annual Report or the notices of material events is set forth in their respective captions in “**APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE.**” The covenants have been made in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Except as provided in the Undertaking, the Board has not undertaken to provide all information investors may desire to have in making decisions to hold, sell or buy the Series 2013 Bonds. Failure to comply with the Undertaking will not constitute an Event of Default under the Indenture (although Bondholders will have any available remedy at law or in equity). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by a broker-dealer or municipal securities dealer before recommending the purchase or sale of the Series 2013 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2013 Bonds and their market price.

The Board has filed all continuing disclosure reports currently required by its prior Undertakings undertaking under the Rule, however not all reports were filed timely. Some of the reporting requirements for filing the financial statements of the University, the Corporation and the Board were filed late.

On October 11, 2013, the Board satisfied the reporting requirements for filing the financial statements of the University, the Board, the Corporation and the annual operating and certain summary financial information of the University due in connection with the outstanding Series 2004, Series 2007, Series 2010 and Series 2011 Bonds. The Board is presently in compliance with its continuing disclosure obligations and has implemented internal and external procedures to ensure timely compliance with its Undertakings in the future, including the employment of a dissemination agent and the establishment of an annually recurring calendar tickler system recently made available through EMMA.

FINANCIAL ADVISOR TO THE UNIVERSITY

Sisung Securities Corporation serves as independent financial advisor (the “**Financial Advisor**”) to the University in connection with the issuance of the Series 2013 Bonds. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the University to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information. The Financial Advisor may receive additional compensation in conjunction with the investment of certain bond proceeds.

MISCELLANEOUS

The information set forth herein relating to the Corporation has been furnished by the Corporation.

The information set forth herein regarding the University has been furnished by the University.

The Authority has furnished only the information included herein under the headings, “**THE AUTHORITY,**” and “**LITIGATION – The Authority.**”

Any statements made in this Official Statement involving estimates or matters of opinion, 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 or matters of opinion will be realized. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the owners of the Series 2013 Bonds.

The Corporation has duly authorized the execution, delivery, and distribution of this Official Statement in connection with the offering of the Series 2013 Bonds.

UNIVERSITY FACILITIES, INC.

By: _____
Joseph Morris, Executive Director

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION RELATED TO THE UNIVERSITY

THE UNIVERSITY

Southeastern Louisiana University (the “University”) is located in Hammond, Louisiana, the heart of Louisiana’s “Florida Parishes.” Hammond is located at the intersection of Interstate Highways 55 and 12, approximately 60 miles north of New Orleans, Louisiana’s largest city, and 40 miles east of Baton Rouge, the State’s capital. The University has a current enrollment of approximately 15,000 students with a faculty and staff population of approximately 1,300.

HISTORY OF THE UNIVERSITY

The University began as a grass roots movement by the people of Hammond and the surrounding area, who recognized the need for an institution of higher education in order to further the educational, economic, and cultural development of southeast Louisiana. What began as a junior college supported by local taxes has developed into a major university as the University has grown to meet the evolving needs of southeast Louisiana and the Florida parishes.

On July 7, 1925, the voters overwhelmingly approved a bond issue that created Hammond Junior College. Operated under the auspices of the Tangipahoa Parish School Board, President Linus A. Sims opened the doors on September 14, 1925 with a faculty of three women, two men and forty students. The two-year coeducational institution offered basic undergraduate work in arts and sciences that culminated in a teaching certificate.

Rapidly increasing enrollments quickly forced the college out of its two rooms in Hammond High School. In 1927, voters supported the purchase of the Hunter Leake estate on Hammond’s north end. In 1928 Hammond Junior College became Southeastern Louisiana College, formally adopted into the state educational system under the control of the State Board of Education. The purchase of sixty acres adjoining the original fifteen-acre plot provided the space to develop a suitable campus, and in 1934, a state bond issue provided for the construction of McGehee Hall and a gymnasium.

In 1937, the State Board of Education authorized curricula for four-year programs in liberal arts, teacher education, business administration, music, social sciences, and physical education. The first baccalaureate degrees were conferred in May, 1939.

Voter approval of Act No. 388 in 1938, an amendment to the 1920 Louisiana Constitution, granted Southeastern Louisiana College the same legal status as other four-year colleges. The amendment did not, however, require the state to fund the University at the level of other institutions of higher education, despite strong local support.

On January 18, 1946, the State Board made available funds to purchase seven city blocks east and west of the campus, and 275 acres of land north and northwest of the campus, increasing the University’s total area to approximately 365 acres.

On March 3, 1946, the University was formally approved and accepted into full membership in the Southern Association of Colleges and Schools (SACS), as a four-year degree-granting institution.

In 1960, the State Board authorized the University to offer master’s degrees through the newly-formed Division of Graduate Studies. The University began awarding the Education Specialist degree in 1967. Governor John J. McKeithen on June 16, 1970 signed into law the legislative act turning Southeastern Louisiana College into Southeastern Louisiana University. The early 1970’s also saw the construction of D. Vickers, the Athletics Building, and the C.E. Cate Teacher Education Building.

In October of 1986, a group of faculty members launched Fanfare, a festival celebrating the arts, humanities and sciences. Since then, Fanfare has become an acclaimed month long event, drawing nationally and internationally recognized artists and providing recognition for those closer to home. In addition to providing

entertainment for the North Shore, Fanfare has an educational outreach program that works closely with local schools. In October of 2005, Fanfare proudly celebrated its 20th anniversary.

The University's enrollment, continually increasing since its inception, reached an important milestone in 1997, registering over fifteen thousand students for the fall semester. Since 1925 the University has conferred over seventy thousand degrees.

As the University celebrated its 75th anniversary in 2000, the Fall semester marked an exciting change as the University implemented screened admissions standards for the first time. Also during the 2000-2001 academic year, the Village, Fayard Hall and the Claude B. Pennington, Jr. Student Activity Center were completed.

In the following years the University continued to expand its' infrastructure with the Teacher Education Center Renovation and Addition in 2003, the Biology Building Renovation and Addition in 2004, the Meade Hall Classroom Renovation in 2007 ,and the Kinesiology & Health Studies College of Nursing Renovation and Addition in 2011. Improvements continue now with the Student Union Renovation and Addition which is scheduled to be complete in 2014.

Since 1925, many dedicated individuals have led the University from a junior college to the vibrant university it is today. Those individuals are: Linus A. Sims, Yves Leon Fontenot, J. Leon Clark, George W. Bond, Gladney Jack Tinsley, Luther Dyson, Clark LeBlanc Barrow, J.B. Wooley, Clea Parker, J. Larry Crain, G. Warren Smith, Sally Clausen, Randy Moffett, and John Crain.

ORGANIZATION AND ADMINISTRATION

The University is governed by the Board of Supervisors for the University of Louisiana System (the "Board"). The Board determines broad administrative and educational policies for the institutions under its management and control.

The administrative officers of the University are responsible for its operation and maintenance in accordance with the rules and policies established by the Board. The following are brief resumes of the principal administrators of the University:

Dr. John L. Crain was named President of Southeastern Louisiana University on February 17, 2009 by the Board of Supervisors of the University of Louisiana System, after serving as Interim President since July 2008.

Crain served as Provost and Vice President for Academic Affairs for seven years prior to his appointment as President. His 27 years of experience on the Hammond campus also include head of the Department of Accounting, chair of the Council of Department Heads, president of the Faculty Senate, director of the Small Business Development Center, and 13 years as a full-time member of the accounting faculty.

Crain is a native of Franklinton and received a Bachelor of Science degree in accounting from Southeastern in 1981 and Master of Business Administration in 1984. He received his doctoral degree in accountancy from the University of Mississippi in 1988.

Dr. Tammy Bourg served in an interim capacity as Provost and Vice President of Academic Affairs at Southeastern Louisiana University since June 2008, and was named permanently to the position following a nationwide search in 2010.

Dr. Bourg served as dean of the Southeastern College of Arts and Sciences from 2003 to 2005 and as dean of the new College of Arts, Humanities and Social Sciences from 2005-2008. She also served on the psychology faculty at California State University, Sacramento, for 17 years, and headed its Department of Psychology during her last four years there. In 1992 and 1993, she was a visiting scholar at the Center for Research in Learning, Perception, and Cognition at the University of Minnesota.

Dr. Bourg holds a doctorate and master's degree in psychology, with a specialization in child development, from the University of Houston and an undergraduate degree in psychology from the University of New Orleans.

Sam Domiano has been serving in an interim capacity as the Vice President for Administration and Finance since March 2012. He has served for more than 18 years at Southeastern earning numerous promotions during his tenure. He has proven to be extremely effective in all areas demonstrating sound managerial and organizational skills while placing specific emphasis on fiscal management, enhanced services, and increased efficiencies supported by strong policy development. Mr. Domiano began his career at the University as an Area Coordinator in University Housing in 1995. He has since served as the Director of the War Memorial Student Union, Director of Career Services, Assistant Director of Auxiliary Services, Director of New Student Enrollment and Student Aid and Assistant Vice President for Operations. Prior to his work at the University, he served several years in management positions in the private business sector.

Mr. Domiano is a native of Independence and received a Bachelor of Arts degree in marketing in 1989 and a Master of Business Administration in 1995.

Stephen Smith served as Vice President of Administration and Finance at Southeastern Louisiana University from December 1990 through March 2012. Mr. Smith currently serves as Interim Budget Director and is a University Facilities, Inc. Board Member. Mr. Smith has more than 36 years in managerial positions of ever-increasing scope and responsibility. He has a proven track record of success in fiscal management, budgeting administration, support services, information processing, and other related areas. He began his career at Southeastern in 1977 and has served in various roles since including Controller, Assistant Vice President of Finance and Controller, Vice President of Administration and Finance, and, currently, Interim Budget Director. Prior to joining Southeastern, he worked as a staff auditor for private accounting firms in Louisiana.

He has an earned Bachelor of Science in Accounting and a Master of Business Administration both from Southeastern. He received his license to practice as a Certified Public Accountant in 1980 and is a member of the American Institute of CPAs.

ACCREDITATION

The University is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award Associate, Baccalaureate, Master's, and Doctoral degrees. The University is a Level V institution.

The University's role, mission, and scope statement addresses the role of the University as a regional university and describes the variety of degree programs the University is authorized to award. The University focuses on providing relevant and current instruction through credit and non-credit offerings as well as learning experiences beyond the traditional classroom. In addition, service to the region (particularly through partnerships with others) and the scope of appropriate research are addressed as important aspects to the University's mission.

The University is a member of and is fully accredited by the:

- Accreditation Board for Engineering and Technology (B.S. in Computer Science)
- American Association of Family and Consumer Sciences (B.S. in Family & Consumer Science)
- American Chemical Society (B.S. in Chemistry)
- Association to Advance Collegiate Schools of Business (B.S. in Accounting, B.B.A. in Business Administration, B.S. in Finance, B.A. in Marketing, B.A. in Management, B.S. in Supply Chain Management, MBA)
- Commission on Accreditation of Athletic Training Education (B.S. in Athletic Training)
- Commission on Collegiate Nursing Education (B.S. in Nursing, M.S.N. in Nursing)
- Council on Academic Accreditation in Audiology and Speech-Language Pathology (M.S. in Communication Sciences & Disorders)
- Council for Accreditation of Counseling and Related Educational Programs (M.Ed. in Counselor Education)
- Council on Social Work Education (B.A. in Social Work)
- Association of Technology, Management, and Applied Engineering (A.A.S. and B.S. in Industrial Technology)
- National Association of Schools of Music (B.M. and M.Mus. in Music)

- National Council for Accreditation of Teacher Education (Ed.D. in Educational Leadership; M.Ed. in Curriculum & Instruction; M.Ed. in Educational Technology Leadership; M.Ed. in Educational Leadership; M.Ed. in Counselor Education; M.Ed. in Special Education; B.S. in Elementary Education Grades 1-5; B.A. in English Education; B.A. in Social Studies Education; B.S. in Health & Physical Education K-12; B.S. Early Childhood Education Grades PK-3; B.S. in Elementary Education and Special Education Mild/Moderate Grades 1-5; B.S. Middle School Grades 4-8; B.S. Middle School Education Special Education Mild/Moderate Grades 4-8; M.A.T. Elementary Education Grades 1-5; M.A.T. Special Education Early Intervention Birth-5)
- National Association of Schools of Art and Design (B.A. in Art)

UNIVERSITY DEMOGRAPHIC INFORMATION

| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Students | 14,949 | 15,602 | 15,414 | 15,351 | 15,160 | 15,224 | 14,757 | 15,118 | 16,068 | 15,472 |
| Total Hours | 173,606 | 181,967 | 183,751 | 187,239 | 189,207 | 189,059 | 187,745 | 193,420 | 198,438 | 191,896 |
| Students, By Class | | | | | | | | | | |
| Freshmen | 5,628 | 5,574 | 5,309 | 5,185 | 4,919 | 5,255 | 4,808 | 4,927 | 5,732 | 5,002 |
| Sophomore | 2,200 | 2,417 | 2,550 | 2,459 | 2,693 | 2,626 | 2,578 | 2,712 | 2,787 | 2,880 |
| Junior | 2,194 | 2,352 | 2,292 | 2,441 | 2,399 | 2,353 | 2,328 | 2,405 | 2,356 | 2,348 |
| Senior | <u>3,722</u> | <u>3,897</u> | <u>3,921</u> | <u>3,865</u> | <u>3,773</u> | <u>1,641</u> | <u>3,539</u> | <u>3,508</u> | <u>3,488</u> | <u>3,434</u> |
| Undergraduate Total | 13,744 | 14,240 | 14,072 | 13,950 | 13,784 | 13,875 | 13,253 | 13,552 | 14,363 | 13,664 |
| Grad/Spec | 1,205 | 1,362 | 1,342 | 1,401 | 1,376 | 1,349 | 1,504 | 1,566 | 1,705 | 1,808 |
| New Students | | | | | | | | | | |
| Undergraduate | | | | | | | | | | |
| New Freshmen | 3,604 | 3,476 | 3,376 | 3,074 | 2,998 | 3,320 | 2,950 | 2,744 | 2,330 | 2,387 |
| Transfers | 419 | 432 | 505 | 559 | 562 | 596 | 634 | 659 | 798 | 734 |
| Other | <u>185</u> | <u>191</u> | <u>212</u> | <u>228</u> | <u>197</u> | <u>187</u> | <u>60</u> | <u>77</u> | <u>33</u> | <u>35</u> |
| Undergraduate Total | 4,208 | 4,099 | 4,093 | 3,861 | 3,757 | 4,103 | 3,644 | 3,430 | 3,161 | 3,156 |
| Graduate | 224 | 289 | 279 | 265 | 288 | 311 | 349 | 372 | 323 | 374 |
| Beginning Freshman ACT | 22.0 | 22.1 | 22.3 | 22.1 | 21.7 | 21.4 | 21.2 | 21.1 | 21.0 | 21.0 |
| Average H.S. GPA* | 3.017 | 3.151 | 3.083 | 3.084 | 3.019 | 3.076 | 3.003 | 3.093 | 3.065 | 2.993 |
| Graduated in Top 20% of Class* | 24.35% | 28.65% | 28.38% | 27.00% | 23.50% | 23.90% | 22.40% | 22.40% | 22.10% | 21.60% |

*Note: Preliminary data presented for 2013 pending official class counts.

Source: Southeastern Institutional Research and Assessment

COMPOSITION OF STUDENT BODY

Fall Semester of Academic Year

| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Average Age | | | | | | | | | | |
| Undergraduate | 21.3 | 21.5 | 21.7 | 21.9 | 22.0 | 21.8 | 22.0 | 22.4 | 22.7 | 23.0 |
| Graduate | 32.0 | 32.2 | 32.3 | 33.2 | 32.8 | 32.7 | 33.0 | 33.2 | 33.3 | 33.3 |
| Undergraduates | | | | | | | | | | |
| Males | 5,486 | 5,619 | 5,595 | 5,466 | 5,312 | 5,269 | 5,370 | 5,148 | 5,476 | 5,246 |
| | 40% | 39% | 40% | 38% | 39% | 38% | 36% | 38% | 38% | 38% |
| Females | 8,258 | 8,621 | 8,477 | 8,484 | 8,472 | 8,606 | 9,387 | 8,404 | 8,887 | 8,418 |
| | 60% | 61% | 60% | 62% | 61% | 62% | 64% | 62% | 62% | 62% |
| Race (Undergraduate) | | | | | | | | | | |
| White | 9,206 | 9,805 | 11,655 | 11,650 | 10,436 | 10,459 | 11,368 | 12,372 | 10,904 | 10,822 |
| African American | 2,083 | 2,192 | 2,272 | 2,577 | 2,381 | 2,407 | 2,515 | 2,364 | 2,630 | 2,217 |
| Hispanic | 746 | 721 | 542 | 407 | 290 | 314 | 310 | 279 | 346 | 206 |
| Other | 1,709 | 1,522 | 673 | 717 | 677 | 695 | 504 | 537 | 533 | 419 |
| Federal Financial Aid (# of Students) | 8,385* | 7,630 | 7,746 | 8,212 | 7,587 | 6,840 | 6,906 | 6,688 | 8,320 | 8,131 |

*Awards through October 7, 2013. Awards are continuing to be made. Preliminary data presented for 2013 pending official class counts.

Source: Southeastern Institutional Research and Assessment

[Remainder of this page intentionally left blank]

UNIVERSITY STUDENT DEMAND

| All Entering Undergraduate | <u>Summer/ Fall 2013*</u> | <u>Summer/ Fall 2012</u> | <u>Summer/ Fall 2011</u> | <u>Summer/ Fall 2010</u> | <u>Summer/ Fall 2009</u> |
|-----------------------------------|--------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Students | | | | | |
| Applications | 11,400 | 12,134 | 11,330 | 12,084 | 10,745 |
| Accept % | 53.86% | 53.92% | 49.60% | 48.19% | 51.21% |
| Accepts | 6,140 | 6,543 | 5,620 | 5,823 | 5,503 |
| Capture % | 76.45% | 76.66% | 81.80% | 83.41% | 83.92% |
| Enrolled in Fall | 4,694 | 5,016 | 4,597 | 4,857 | 4,618 |
| New Freshmen | | | | | |
| | <u>Summer/ Fall 2013</u> | <u>Summer/ Fall 2012</u> | <u>Summer/ Fall 2011</u> | <u>Summer/ Fall 2010</u> | <u>Summer/ Fall 2009</u> |
| Applications | 9,179 | 9,841 | 8,647 | 8,710 | 7,552 |
| Accept % | 57.28% | 53.16% | 53.52% | 49.16% | 53.16% |
| Accepts | 5,258 | 5,231 | 4,628 | 4,282 | 4,015 |
| Capture % | 75.94% | 76.39% | 82.22% | 85.08% | 84.88% |
| Enrolled in Fall | 3,993 | 3,996 | 3,805 | 3,643 | 3,408 |
| Transfers | | | | | |
| | <u>Summer/ Fall 2013</u> | <u>Summer/ Fall 2012</u> | <u>Summer/ Fall 2011</u> | <u>Summer/ Fall 2010</u> | <u>Summer/ Fall 2009</u> |
| Applications | 2,017 | 2,640 | 2,683 | 2,210 | 2,092 |
| Accept % | 36.99% | 36.10% | 36.97% | 38.05% | 38.38% |
| Accepts | 746 | 953 | 992 | 841 | 803 |
| Capture % | 80.03% | 77.75% | 79.84% | 78.72% | 84.18% |
| Enrolled in Fall | 597 | 741 | 792 | 662 | 676 |
| New Graduate Students | | | | | |
| | <u>Summer/ Fall 2013</u> | <u>Summer/ Fall 2012</u> | <u>Summer/ Fall 2011</u> | <u>Summer/ Fall 2010</u> | <u>Summer/ Fall 2009</u> |
| Applications | 799 | 1,326 | 1,314 | 1,348 | 1,293 |
| Accept % | 62.20% | 62.37% | 61.57% | 58.90% | 61.79% |
| Accepts | 497 | 827 | 809 | 794 | 799 |
| Capture % | 48.09% | 56.95% | 62.42% | 65.37% | 65.83% |
| Enrolled in Fall | 239 | 471 | 505 | 519 | 526 |

*Note: Preliminary data presented for 2013 pending official class counts.

Source: Southeastern Institutional Research and Assessment

STATEWIDE GRADUATION RATES

| | <u>2013*</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|--|--------------|--------------------|--------------------|--------------------|--------------------|
| ULS Schools | | 2006 Cohort | 2005 Cohort | 2004 Cohort | 2003 Cohort |
| Grambling State University | N/A | 31.46% | 28.12% | 29.90% | 37.30% |
| Louisiana Tech University | N/A | 52.77% | 54.83% | 53.20% | 53.10% |
| McNeese State University | N/A | 40.38% | 40.21% | 37.90% | 38.60% |
| Nicholls State University | N/A | 43.33% | 41.88% | 31.90% | 30.10% |
| University of Louisiana at Monroe | N/A | 41.95% | 38.01% | 32.70% | 32.80% |
| Northwestern Louisiana University | N/A | 40.72% | 38.89% | 35.30% | 33.90% |
| Southeastern Louisiana University | N/A | 40.10% | 37.92% | 34.80% | 31.20% |
| University of Louisiana at Lafayette | N/A | 49.07% | 47.08% | 46.40% | 44.30% |
| ULS System Graduation Rates | N/A | 38.23% | 37.03% | 39.00% | 38.30% |

*Note: Data not yet available for 2013. Also, the University of New Orleans (“UNO”) joined ULS in 2012. Graduation rates for UNO are not yet available.

Source: Southeastern Institutional Research and Assessment

UNIVERSITY FACULTY

| | <u>2013*</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|-------------------------------|--------------|-------------|-------------|-------------|-------------|
| Full-time Faculty | 502 | 511 | 524 | 530 | 542 |
| Part-time Faculty | 130 | 120 | 106 | 100 | 118 |
| Number Tenured** | 233 | 230 | 222 | 220 | 203 |
| Number with Terminal Degree** | 303 | 337 | 347 | 351 | 331 |
| Total Faculty: | 632 | 631 | 630 | 630 | 660 |

** Only includes full-time faculty

*Note: 2013 official data not available until census date of November 1st.

Source: Southeastern Institutional Research and Assessment; 2013 unofficial data provided by Southeastern Human Resources.

[Remainder of this page intentionally left blank]

TUITION AND FEES

The University meets the cost of its educational program primarily through tuition, fees, state appropriations and federal grants contracts. The following table sets forth the base tuition and fees charged each semester to full-time undergraduate students on the basis of in-state residence for the year.

| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Tuition | \$2,181.00 | \$1,926.70 | \$1,696.50 | \$1,496.50 | \$1,273.00 |
| Student Union Bond Fee | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Health Center Bond Fee | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Academic Excellence Fee | 120.00 | 120.00 | 120.00 | 120.00 | 120.00 |
| Student Union Expansion/ Operations Fee | 44.00 | 44.00 | 44.00 | 44.00 | 44.00 |
| Student Rec Building Fee | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Student Rec Operating Fee | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Other Fees | <u>471.55</u> | <u>489.55</u> | <u>400.55</u> | <u>298.30</u> | <u>334.30</u> |
| Total | \$2,857.55 | \$2,621.25 | \$2,302.05 | \$1,999.80 | \$1,812.30 |
| Dormitory and Meal Plan | \$3,355.00 | \$3,255.00 | \$3,170.00 | \$3,155.00 | \$3,055.00 |

Source: Southeastern Controller's Office

STATE APPROPRIATIONS

The following chart shows the history of annual State appropriations to the University since 2004-05:

| <u>Fiscal Year*</u> | <u>State Appropriations</u> |
|---------------------|---------------------------------|
| 2013-14** | \$32,667,298 |
| 2012-13 | 39,214,499 |
| 2011-12 | 46,407,986 |
| 2010-11*** | 69,477,423 |
| 2009-10**** | 63,704,975 |
| 2008-09 | 75,839,584 |
| 2007-08 | 74,000,335 |
| 2006-07 | 52,794,476 |
| 2005-06 | 46,015,098 |
| 2004-05 | 44,572,142 |

* FY 13-14 is current budget. All other figures are end of year actuals.

** FY 13-14 contains \$13,444,075 in Overcollections funds.

*** FY 10-11 contains \$16,340,635 in ARRA funds.

**** FY 09-10 contains \$10,222,480 in ARRA funds.

Source: Southeastern Controller's Office

SOURCES OF UNRESTRICTED REVENUE

| | <u>2014*</u> | | <u>2013</u> | | <u>2012</u> | | <u>2011</u> | | <u>2010</u> | | <u>2009</u> | |
|----------------------|---------------|------|---------------|------|---------------|------|---------------|------|---------------|------|---------------|------|
| State Appropriations | \$31,582,069 | 24% | \$39,214,499 | 30% | \$46,407,986 | 34% | \$53,136,788 | 36% | \$53,482,495 | 39% | \$75,839,584 | 53% |
| ARRA Funds | - | 0% | - | 0% | - | 0% | 16,340,635 | 11% | 10,222,480 | 7% | - | 0% |
| Carry Forward | - | 0% | - | 0% | 6,399,144 | 5% | - | 0% | - | 0% | - | 0% |
| Tuition & Fees | 69,906,315 | 53% | 65,772,081 | 50% | 60,174,996 | 44% | 54,374,873 | 37% | 47,562,870 | 35% | 42,286,173 | 30% |
| Auxiliary Revenue** | 23,960,371 | 18% | 22,370,455 | 17% | 21,373,626 | 15% | 21,329,158 | 14% | 20,993,476 | 15% | 20,380,509 | 14% |
| Other Revenue | 5,936,073 | 5% | 3,938,813 | 3% | 3,682,197 | 3% | 3,531,352 | 2% | 4,048,156 | 3% | 4,605,635 | 3% |
| | \$131,384,828 | 100% | \$131,295,848 | 100% | \$138,037,949 | 100% | \$148,712,806 | 100% | \$136,309,477 | 100% | \$143,111,901 | 100% |

*Fiscal Year 2013-14 column contains budgeted amounts. All other columns are year-end actuals.

Source: Southeastern Controller's Office

[Remainder of this page intentionally left blank]

DEBT MANAGEMENT

The following is a list of the other bonded indebtedness of the University and the principal amount outstanding as of October 1, 2013:

**\$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004A
AND**

**\$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004B
AND**

\$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004C

Issue Date: August 13, 2004

| | | |
|------------------------|----------------------|----------------|
| Final Maturity: | Series 2004A: | August 1, 2031 |
| | Series 2004B: | August 1, 2034 |
| | Series 2004C: | August 1, 2007 |

| | | |
|-----------------------------|----------------------|--------------|
| Outstanding Balance: | Series 2004A: | \$52,230,000 |
| | Series 2004B: | \$15,000,000 |
| | Series 2004C: | \$0 |

Purpose: The Series 2004 Bonds (the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds) were issued to provide funds (i) to finance the cost of (a) refinancing the existing debt associated with Southeastern Oaks and the Village (the “Existing Facilities”), (b) acquiring, constructing, furnishing and equipping two (2) student housing facilities containing 1,514 beds, including the buildings, furniture, fixtures and equipment therefore and related facilities (the “New Facilities”), (c) renovating an existing student housing facility (the “Renovated Facility”), and (d) demolishing four existing student housing facilities, all on the campus of the University; (ii) to fund the costs of marketing the New Facilities and the Renovated Facility; (iii) to provide working capital for the New Facilities and the Renovated Facility; (iv) to fund interest on the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds during construction; (v) to provide funds to repay certain indebtedness of University Facilities, Inc.; (vi) to fund a Debt Service Reserve Fund; (vii) to fund a replacement fund; and (viii) to pay the costs of issuing the Series 2004 Bonds. The Series 2004C Bonds are no longer outstanding.

Security: The Series 2004A Bonds are secured by the revenues generated by an Agreement to Lease With Option to Purchase (the “Facilities Lease”) between the Corporation and the Board. The Board is obligated to make payments under the Facilities Lease from revenues from the operation of the Existing Facilities, the New Facilities and the Renovated Facility.

HISTORIAL DEBT COVERAGE

| | <u>Fiscal Year 6/30/13</u> | <u>Fiscal Year 6/30/12</u> | <u>Fiscal Year 6/30/11</u> | <u>Fiscal Year 6/30/10</u> | <u>Fiscal Year 6/30/09</u> |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <u>University Auxiliary Services Revenues</u> | | | | | |
| Auxiliary Services Revenue | \$8,081,352 | \$7,083,825 | \$7,442,754 | \$7,691,242 | \$7,406,894 |
| Auxiliary Expenditures | <u>(6,269,603)</u> | <u>(6,170,500)</u> | <u>(5,917,353)</u> | <u>(5,655,606)</u> | <u>(5,928,431)</u> |
| Pledged Funds Available from Auxiliary Revenues | 1,811,749 | 913,325 | 1,525,401 | 2,035,636 | 1,478,463 |
| <u>University Housing/University Facilities, Inc.</u> | | | | | |
| Housing/UFI Revenues | 11,740,992 | 11,737,986 | 11,776,465 | 11,209,990 | 10,736,912 |
| Housing/UFI Expenditures | <u>(5,263,624)</u> | <u>(5,120,421)</u> | <u>(5,009,276)</u> | <u>(4,649,410)</u> | <u>(4,647,278)</u> |
| Pledged Funds Available from Housing/ UFI Revenues | 6,477,368 | 6,617,565 | 6,767,189 | 6,556,580 | 6,089,634 |
| Total Pledged Funds Available | 8,289,117 | 7,530,890 | 8,292,590 | 8,596,216 | 7,568,097 |
| Annual Debt Service | 4,341,825 | 4,245,015 | 4,153,532 | 4,306,996 | 4,229,132 |
| Debt Service Coverage (Housing Revenues Only) | 1.49 | 1.56 | 1.63 | 1.52 | 1.44 |
| Debt Service Coverage (Available Auxiliary/Housing) | 1.91 | 1.77 | 2.00 | 2.00 | 1.79 |

Source: Southeastern Controller's Office

**\$5,545,000 Louisiana Local Government Environmental Facilities and Community Development Authority
Revenue Bonds (Southeastern Louisiana University Student Housing/
University Facilities, Inc. Parking Project) Series 2007A**

AND

**\$2,490,000 Louisiana Local Government Environmental Facilities and Community Development Authority
Revenue Bonds (Southeastern Louisiana University Student Housing/
University Facilities, Inc. Parking Project) Series 2007B**

Issue Date: March 14, 2007

Final Maturity: **Series 2007A:** February 1, 2031
 Series 2007B: February 1, 2037

Outstanding Balance: **Series 2007A:** \$4,600,000
 Series 2007B: \$330,000

Purpose: The Series 2007 Bonds (the Series 2007A Bonds and the Series 2007B Bonds) were issued to provide funds (i) to finance a portion of the cost of construction of a new intermodal parking facility located on the campus of the University, (ii) to fund a deposit to the Debt Service Reserve Fund, and (iii) to pay the costs of issuing the Series 2007 Bonds.

Security: The Series 2007 Bonds are secured by the revenues generated by the Agreement to Lease With Option to Purchase (the "Facilities Lease") between the Corporation and the Board. The Board is obligated to make payments under the Facilities Lease from: (i) the proceeds of a student parking fee being assessed on all students for the planning, building and maintaining of a University parking garage, in the amount of \$20 per semester (\$10 for summer) and (ii) the funds and revenues held by the University derived by its Auxiliary Enterprises and any earnings thereof from the self-generated fees, rates, charges or income received by students, faculty or the public in connection with the utilization or operation of Auxiliary Enterprises after payment of any auxiliary expenses.

Historical Debt Coverage:

| | <u>FY 2012-13</u> | <u>FY 2011-12</u> | <u>FY 2010-11</u> | <u>FY 2009-2010</u> | <u>FY 2008-2009</u> |
|-----------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| Pledged Revenues | \$563,355.38 | \$584,294 | \$646,428 | \$1,390,701 | \$1,237,048 |
| Annual Debt Service | \$383,948 | \$373,256 | \$378,305 | \$534,262 | \$372,523 |
| Debt Service Coverage | 1.47 | 1.57 | 1.71 | 2.60 | 3.32 |

Source: Southeastern Controller's Office

**\$25,470,000 Louisiana Local Government Environmental Facilities and Community Development Authority
Tax-Exempt Revenue Bonds (Southeastern Louisiana University Student Union/
University Facilities, Inc. Project) Series 2010A**

AND

**\$5,785,000 Louisiana Local Government Environmental Facilities and Community Development Authority
Taxable Revenue Bonds (Southeastern Louisiana University Student Union/
University Facilities, Inc. Project) Series 2010B**

Issue Date: November 17, 2010

Final Maturity: **Series 2010A:** October 1, 2026
 Series 2010B: October 1, 2020

Outstanding Balance: **Series 2010:** \$25,470,000
 Series 2010: \$4,745,000

Purpose: The Series 2010 Bonds (the Series 2010A Bonds and the Series 2010B Bonds) were issued to provide a portion of the funds (i) to demolish certain existing facilities and renovate, develop and construct the Student Union, the Center for Student Excellence, Student Health Center, Food Service Areas, the Bookstore and other related facilities on the campus of the University, (ii) to fund a deposit to the Debt Service Reserve Fund, and (iii) to pay the costs of issuance for the Series 2010 Bonds.

Security: The Series 2010 Bonds are secured by the revenues generated by the Agreement to Lease With Option to Purchase (the "Facilities Lease") between the Corporation and the Board. The Board is obligated to make payments under the Facilities Lease from the proceeds of: (i) the Student Union Bond Fee, the Health Center Bond Fee, a portion of the Building Use Fee and a Student Union Expansion Fee and (ii) annual Capital Improvement Funds received by the University from the University's food service provider.

Historical Debt Coverage:

| | <u>FY 2012-13</u> | <u>FY 2011-12</u> | <u>FY 2010-11</u> |
|------------------------------|-------------------|-------------------|-------------------|
| Pledged Revenues | \$2,828,176.89 | \$2,666,609.41 | \$2,116,099 |
| Annual Debt Service | \$1,929,063.39 | \$1,775,470.03 | \$499,025 |
| Debt Service Coverage | 1.47 | 1.50 | 4.24 |

Source: Southeastern Controller's Office

\$3,650,000
Board of Supervisors for the University of Louisiana System
Revenue Refunding Bonds
(Southeastern Louisiana University Student Recreation and Activity Center Project)
Series 2011

Issue Date: December 7, 2011

Final Maturity: June 1, 2020

Outstanding Balance: \$2,950,000

Purpose: The Series 2011 Bonds were issued to (i) currently refund the Board's Outstanding Revenue Bonds (Southeastern Louisiana University Student Recreation and Activity Center Project), Series 1998, which were issued on June 30, 1998 to finance a portion of the cost of planning and constructing a new student activity center to serve as a comprehensive recreation and intramural sports complex (the "Facilities"), (ii) pay the costs of issuance for the Series 2011 Bonds.

Security: The Series 2011 Bonds are secured by a pledge of (i) the proceeds of a portion of self-assessed Student Fee, consisting of \$25.00 per semester (\$12.50 per summer semester) per student (the "Pledged Student Fee"); (ii) the membership fees imposed by the University on users of the Facility, other than University students; (iii) any other applicable student fees hereinafter levied to pay for the Facility; and (iv) all funds and accounts established pursuant to the Bond Resolution and pledged to payment of the Series 2011 Bonds (collectively, "Pledged Revenues").

Historical Debt Coverage:

| | <u>FY 2012-13</u> | <u>FY 2011-12</u> | <u>FY 2010-11</u> |
|------------------------------|-------------------|-------------------|-------------------|
| Pledged Revenues | \$714,220 | \$737,906 | \$862,814 |
| Annual Debt Service | \$474,481 | \$468,589 | \$576,670 |
| Debt Service Coverage | 1.51 | 1.57 | 1.50 |

Source: Southeastern Controller's Office

APPENDIX B

FORMS OF PRINCIPAL FINANCING DOCUMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF
FIRST SUPPLEMENTAL TRUST INDENTURE

by and between

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(as Trustee)

Dated as of November 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

{B0888665.6}

TABLE OF CONTENTS

Article I DEFINITIONS AND RULES OF CONSTRUCTION 2

 Section 1.1 Definitions 2

 Section 1.2 Rules of Construction 11

Article II GRANTING CLAUSES 11

 Section 2.1 Granting Clauses 11

Article III AUTHORIZATION, TERMS AND CONDITIONS OF SERIES 2013 BONDS 13

 Section 3.1 Series 2013 Bonds Issuable Under this Article Only 13

 Section 3.2 Authorization of Series 2013 Bonds 13

 Section 3.3 Form of Series 2013 Bonds 14

 Section 3.4 Redemption of Series 2013 Bonds 14

 Section 3.5 Execution; Limitation of Liability 16

 Section 3.6 Authentication 16

 Section 3.7 Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds 17

 Section 3.8 Registration of Series 2013 Bonds 17

 Section 3.9 Persons Treated as Owners 17

 Section 3.10 Exchange and Transfer of Series 2013 Bonds 17

 Section 3.11 Cancellation and Destruction of Surrendered Series 2013 Bonds 18

 Section 3.12 Delivery of the Series 2013 Bonds 18

 Section 3.13 Book-Entry Registration of Series 2013 Bonds 19

Article IV FUNDS AND ACCOUNTS; FLOW OF FUNDS; INVESTMENTS; DEPOSITS; ARBITRAGE 20

 Section 4.1 Creation and Use of Funds and Accounts 20

 Section 4.2 Series 2013 Bond Proceeds Fund 21

 Section 4.3 Series 2013 Debt Service Fund 21

 Section 4.4 Replacement Fund 22

 Section 4.5 Series 2013 Rebate Fund 22

 Section 4.6 Receipts Fund 22

 Section 4.7 Series 2013 Debt Service Reserve Fund 24

 Section 4.8 Surplus Fund 24

 Section 4.9 Investments 24

 Section 4.10 Depository of Moneys and Security for Deposits 25

 Section 4.11 Arbitrage 25

 Section 4.12 Amounts Remaining in Funds; Releases 25

 Section 4.13 Application of Moneys in the Series 2013 Debt Service Reserve Fund 26

 Section 4.14 Application of Insurance Proceeds; Condemnation Award 27

 Section 4.15 Application of Money in the Replacement Fund 27

 Section 4.16 Application of Money in the Surplus Fund 28

 Section 4.17 Application of Moneys in the Series 2013 Rebate Fund 28

Article V ADDITIONAL BONDS 28

 Section 5.1 Additional Bonds 28

Article VI COSTS OF ISSUANCE 29

 Section 6.1 Payment of Costs of Issuance from Series 2013 Bond Proceeds Fund 29

Article VII ENFORCEMENT OF LOAN AGREEMENT AND FACILITIES LEASE 29

 Section 7.1 Assignment of Loan Agreement and Facilities Lease 29

 Section 7.2 Trustee or Bondholders to Enforce Loan Agreement, Facilities Lease and Mortgage 29

Article VIII EVENTS OF DEFAULT; REMEDIES 29

 Section 8.1 No Extension of Time for Payment of Principal, Premium or Interest 29

 Section 8.2 Events of Default 29

 Section 8.3 Remedies 30

 Section 8.4 Acceleration; Annulment of Acceleration 30

 Section 8.5 Insufficiency in the Series 2013 Debt Service Fund; Application of Moneys 31

 Section 8.6 Discontinuance of Proceedings 32

 Section 8.7 Reserved 32

 Section 8.8 Remedies Not Exclusive 32

 Section 8.9 Remedies Vested in Trustee 33

 Section 8.10 Reserved 33

 Section 8.11 Individual Bondholder Action Restricted 33

 Section 8.12 Waiver and Non-Waiver of Event of Default 33

 Section 8.13 Notice of Defaults 33

 Section 8.14 Opportunity of Corporation to Cure Certain Defaults 33

Article IX CONCERNING THE TRUSTEE 34

 Section 9.1 Acceptance of Trusts 34

 Section 9.2 Trustee Entitled to Indemnity 36

 Section 9.3 Trustee Not Responsible for Insurance, Taxes, Execution of Supplemental Indenture, Acts of the Authority or Application of Moneys Applied in Accordance with this Supplemental Indenture 36

 Section 9.4 Compensation 36

 Section 9.5 Trustee to Preserve Records 37

 Section 9.6 Trustee May be Bondholder 37

 Section 9.7 Trustee Not Responsible for Recitals 37

 Section 9.8 Trustee Responsible for Reinscription 37

 Section 9.9 Trustee May Rely on Certificates 37

Article X RESERVED 37

Article XI COVENANTS OF AUTHORITY 37

 Section 11.1 Payment of Principal, Premium and Interest 37

 Section 11.2 Additional Security 38

 Section 11.3 Cure Title Defects 38

 Section 11.4 Defend Against Actions 38

 Section 11.5 Non-Impairment of Security 38

 Section 11.6 Authority's Obligation Limited 38

Article XII DEFEASANCE 39

 Section 12.1 Payment 39

 Section 12.2 Provision for Payment 39

 Section 12.3 Certifications 39

Article XIII MISCELLANEOUS 40

 Section 13.1 Covenants of Authority Binds its Successors 40

 Section 13.2 Preservation and Inspection of Documents 40

B-2

| | | |
|---------------|--|----|
| Section 13.3 | <u>Parties Interest Herein</u> | 40 |
| Section 13.4 | <u>No Recourse on the Series 2013 Bonds</u> | 40 |
| Section 13.5 | <u>Severability</u> | 40 |
| Section 13.6 | <u>Consents and Approvals</u> | 40 |
| Section 13.7 | <u>Notices</u> | 41 |
| Section 13.8 | <u>Notices to Bondholders</u> | 41 |
| Section 13.9 | <u>Applicable Law</u> | 42 |
| Section 13.10 | <u>Captions</u> | 42 |
| Section 13.11 | <u>Supplemental Indenture to Constitute a Contract</u> | 42 |
| Section 13.12 | <u>Performance on Legal Holidays</u> | 42 |
| Section 13.13 | <u>Continuing Disclosure Certificates</u> | 42 |
| Section 13.14 | <u>Amendments to Original Indenture</u> | 42 |

EXHIBIT A – FORM OF SERIES 2013 BOND

B-3

FIRST SUPPLEMENTAL TRUST INDENTURE

This FIRST SUPPLEMENTAL TRUST INDENTURE dated as of November 1, 2013 (the “*Supplemental Indenture*”), is between the LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (the “*Authority*”), and The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing by virtue of the laws of the United States of America and duly authorized to accept and execute trusts, as trustee (the “*Trustee*”) and supplements and amends that certain Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee (the “*Original Indenture*”).

WITNESSETH:

WHEREAS, the Authority is a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 (the “*LCDA Act*”), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the “*Refunding Act*”) and, together with the LCDA Act, the “*Act*”), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, pursuant to the Original Indenture and in accordance with the provisions of the Act, the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and, together with the Series 2004A Bonds, the “*Series 2004 Bonds*”) on behalf of University Facilities Inc., a Louisiana non-profit corporation (the “*Corporation*”), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University;

WHEREAS, the Corporation has requested that the Authority issue its \$ _____ Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”) to refund all of the outstanding Series 2004A Bonds (the “*Refunded Bonds*”), such Series 2013 Bonds to be issued on a parity with the Series 2004B Bonds (the “*Unrefunded Bonds*”);

WHEREAS, the Authority is authorized under the provisions of the Act and other constitutional and statutory authority to issue refunding bonds for such purposes and the Authority has determined that it is most advantageous to the Authority and necessary for it to issue its Series 2013 Bonds as hereinafter provided for such purposes;

WHEREAS, pursuant to Section 5.2 of the Original Indenture, Refunding Bonds may be issued to refund all or a portion of the Series 2004 Bonds pursuant to a supplement to the Original Indenture without the consent of the Series 2004 Bond Insurer (as hereinafter defined);

WHEREAS, the proceeds of the sale of the Series 2013 Bonds shall be loaned to the Corporation pursuant to that Loan and Assignment Agreement dated as of August 1, 2004 (the "*Original Loan Agreement*"), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the "*First Supplemental Loan Agreement*" and, together with the Original Loan Agreement, the "*Loan Agreement*"), each between the Corporation and the Authority, for the purpose of (i) refunding the Refunded Bonds (as hereinafter defined) and (ii) paying the costs of issuance of the Series 2013 Bonds;

WHEREAS, pursuant to the Loan Agreement, the Corporation has assigned its rights under that certain Facilities Lease (as defined herein) pursuant to which the Corporation is leasing the Facilities to the Board including its right to all Base Rentals received thereunder, to the Authority, and has agreed to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds (as defined herein), and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, the Corporation, as Lessee, has leased the Property from the Board, as Lessor, upon which the Facilities were constructed for the Board pursuant to an Amended and Restated Ground Lease Agreement dated as of November 1, 2013 between the Board and the Corporation (the "*Ground Lease*");

WHEREAS, the fully registered Series 2013 Bonds and the certificate of authentication by the Trustee to be endorsed thereon for the Series 2013 Bonds are to be in substantially the form attached as Exhibit A hereto with all necessary and appropriate variations, omissions and insertions as permitted or required under this Supplemental Indenture;

WHEREAS, all acts, conditions and things required by the laws of the State to happen, exist and be performed precedent to and in the execution and delivery of this Supplemental Indenture have happened, exist and have been performed as so required in order to make this Supplemental Indenture a valid and binding agreement in accordance with its terms;

WHEREAS, the execution and delivery of this Supplemental Indenture have been duly authorized by the Authority and the Trustee; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Supplemental Indenture and the parties are now prepared to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Authority and the Trustee hereby covenant and agree as follows:

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. Except as provided in Section 1.2 below, capitalized terms not otherwise defined herein shall have the meanings assigned thereto in this Supplemental Indenture, the Original Indenture or in the Loan Agreement. In addition to words and terms elsewhere defined in this Supplemental Indenture, the following words and terms as used herein shall have the following meanings, unless some other meaning is plainly intended:

"*Act*" means, collectively, the LCDA Act and the Refunding Act.

"*Additional Bonds*" shall mean bonds issued on a parity with the Series 2004B Bonds and the Series 2013 Bonds in one or more series pursuant to Section 26 of the Facilities Lease and Article V of the Indenture.

"*Authority*" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Authority by said provisions shall be given by law.

"*Authorized Authority Representative*" means the person(s) at the time designated to act under the Loan Agreement and this Supplemental Indenture on behalf of the Authority by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Authority by the Chairman, Vice Chairman, Executive Director or Assistant Secretary of the Authority. Such certificate may designate an alternate or alternates.

"*Authorized Corporation Representative*" means the President or Secretary/Treasurer of the Corporation.

"*Authorized Denomination*" means \$5,000 or any integral multiple thereof.

"*Beneficial Owner*" means, so long as a book-entry system of registration is in effect pursuant to Section 3.13 hereof, the actual purchaser of the Series 2013 Bonds.

"*Board*" means the Board of Supervisors for the University of Louisiana System or its legal successor as the management board of the University, acting on behalf of the University, and on its own behalf.

"*Board Contribution*" means the funds deposited by the Board with the Trustee on or prior to the Closing Date.

"*Board Documents*" means the Ground Lease and the Facilities Lease, as they may be amended or supplemented from time to time.

"*Bond Documents*" means the Indenture, the Loan Agreement, the Facilities Lease, the Ground Lease and the Mortgage, as each may be amended or supplemented from time to time.

"*Bond Register*" means, when used with respect to the Series 2013 Bonds, the registration books maintained by the Trustee pursuant to Section 3.8 of this Supplemental Indenture.

"*Bonds*" means the Series 2004B Bonds, the Series 2013 Bonds and any Additional Bonds.

"*Bondholder*" or "*owner*" when used with reference to a Series 2013 Bond, means the registered owner of any Outstanding Series 2013 Bond.

"*Business Day*" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"*Closing Date*" means the date on which the Series 2013 Bonds are delivered and payment therefor is received by the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"Corporation" means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

"Debt Service Reserve Fund Investment" means a surety bond, insurance policy or letter of credit meeting the requirements of Section 4.13(d) hereof.

"Defeasance Obligations" means noncallable direct obligations of the United States of America (including direct obligations of the United States of America that have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

"DTC" or "Securities Depository" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depositories appointed pursuant to this Supplemental Indenture.

"Escrow Deposit Agreement" means that certain Escrow Deposit Agreement dated as of November 1, 2013 by and between the Authority and the Escrow Trustee.

"Escrow Fund" means the Escrow Fund established by the Escrow Deposit Agreement to be held by the Escrow Trustee for the purpose of paying the Redemption Price of the Refunded Bonds.

"Escrow Trustee" means The Bank of New York Mellon Trust Company, N.A., in its capacity as escrow agent pursuant to the Escrow Deposit Agreement.

"Facilities" means the facilities and offices described in Exhibit A to the Loan Agreement, as amended and supplemented in accordance with the provisions of the Loan Agreement, that were designed, constructed, renovated and equipped with the proceeds of the Series 2004 Bonds, including all furnishings, fixtures and equipment incidental or necessary in connection therewith, on the campus of the University.

"Facilities Lease" means the Amended and Restated Facilities Lease dated as of November 1, 2013 between the Corporation and the Board, including any additional supplements and amendments thereto and thereof.

"Fiscal Year" means any period of twelve consecutive months adopted by the Corporation as its Fiscal Year for financial reporting purposes, currently the period beginning on January 1 and ending on December 31 of each year.

"Fitch Ratings" means Fitch Ratings, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch ratings" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, with the consent of the Corporation.

"Ground Lease" means the Amended and Restated Ground and Buildings Lease Agreement dated as of November 1, 2013 by and between the Board, as Lessor on behalf of the University, and the Corporation, as Lessee, whereby the Property is leased by the Board to the Corporation, and any amendment or supplement thereto entered into from time to time in accordance with the terms thereof.

"Indenture" means the Original Indenture as supplemented and amended by this Supplemental Indenture, as it may be further amended or supplemented from time to time by supplemental indentures or in accordance with the provisions of the Original Indenture.

"Interest Account" means the Interest Account within the Series 2013 Debt Service Fund created pursuant to Article IV of this Supplemental Indenture.

"Interest Payment Date" or "interest payment date" when used with respect to the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014.

"LCDA Act" means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33: 4548.1 to 4548.16, inclusive) and all future acts supplemental thereto and amendatory thereof.

"Loan" means the aggregate amount of moneys loaned to the Corporation pursuant to the Supplemental Loan Agreement.

"Loan Agreement" means, collectively, the Original Loan Agreement, as supplemented and amended by the Supplemental Loan Agreement.

"Management Agreement" means any Management Agreement or similar agreement, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

"Management Company" means any entity employed to manage the facilities under any Management Agreement.

"Management Fee" means, if any, the fee owed to the Management Company of the Facilities pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

"Moody's" means Moody's Investors Service, a Delaware corporation, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority with the approval of the Corporation.

"Mortgage" means the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee.

"Operating Expenses" means the current expenses of operation, maintenance and current repair of the Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker's compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Supplemental Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Authority (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound

B-5

accounting practice. "Operating Expenses" will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Facilities; or (4) amortization of financing costs.

"Original Indenture" means that certain Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee pursuant to which the Series 2004 Bonds were issued.

"Original Loan Agreement" means that certain Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation.

"Outstanding" or "outstanding," when used with reference to the Bonds, means all such bonds that have been authenticated and issued under the Indenture except those:

- (a) canceled by the Trustee pursuant to the Indenture;
- (b) for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of the Indenture;
- (c) that have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in the Indenture;
- (d) in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in the Indenture; and
- (e) for all purposes regarding consents and approvals or directions of Bondholders under the Loan Agreement or the Indenture, held by or for the Authority, the Corporation or any person controlling, controlled by or under common control with either of them.

"Participant" means any broker-dealer, bank and other financial institution from time to time for which DTC holds Series 2013 Bonds as securities depository.

"Payments" means the amounts of repayments under the Supplemental Loan Agreement with respect to the Series 2013 Bonds to be made by the Corporation as provided in Article IV of the Supplemental Loan Agreement.

"Permitted Investments" means the following securities:

To the extent permitted by State law, the following obligations may be used as permitted investments for all purposes, including defeasance investments in refunding escrow accounts:

- (a) Cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the next paragraph).
- (b) Direct obligations of (including obligations issued or held in book entry form on the books of the Department of Treasury) the United States of America. In the event these securities are used for defeasance, they shall be non-callable and non-prepayable.

(c) Obligations of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America (in the event these securities are used for defeasance, they shall be non-callable and nonprepayable):

- (i) U.S. Export-Import Bank (Eximbank);
- (ii) Rural Economic Community Development Administration;
- (iii) Federal Financing Bank;
- (iv) U.S. Maritime Administration;
- (v) U.S. Department of Housing and Urban Development (PHAs);
- (vi) General Services Administration;
- (vii) Small Business Administration;
- (viii) Government National Mortgage Association (GNMA);
- (ix) Federal Housing Administration; and
- (x) Farm Credit System Financial Assistance Corporation.

To the extent permitted by law, the following obligations may be used as permitted investments for all purposes other than defeasance investments in refunding escrow accounts:

(a) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- (i) Senior debt obligations rated in the highest long-term rating category by at least two nationally recognized rating agencies issued by Fannie Mae (FNMA) or Freddie Mac (FHLMC).
- (ii) Senior debt obligations of the Federal Home Loan Bank System.
- (iii) Senior debt obligations of other Government Sponsored Agencies.

(b) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which either (i) have a rating on their short-term certificates of deposit on the date of purchase in the highest short-term rating category of at least two nationally recognized rating agencies, (ii) are insured at all times by the Federal Deposit Insurance Corporation, or (iii) are collateralized with direct obligations of the United States of America at one hundred two percent (102%) valued daily. All such certificates must mature no more than three hundred sixty (360) days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank).

(c) Commercial paper which is rated at the time of purchase in the highest short-term rating category of at least two (2) nationally recognized rating agencies and which matures not more than two hundred seventy (270) days after the date of purchase.

(d) Investments in (i) money market funds subject to SEC Rule 2a-7 and rated in the highest short-term rating category of at least two nationally recognized rating agencies and (ii) public sector

investment pools operated pursuant to SEC Rule 2a-7 in which the Authority's deposit shall not exceed 5% of the aggregate pool balance at any time and such pool is rated in one of the two highest short-term rating categories of at least two nationally recognized rating agencies.

(e) Pre-refunded municipal obligations defined as follows: (i) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and, a. which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest long-term rating category of at least two (2) nationally recognized rating agencies; or (ii) (A) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

(f) Bonds, debentures, notes, or other evidence of indebtedness issued by the state of Louisiana or any of its political subdivisions (other than the Authority); however:

(i) The indebtedness shall have a minimum investment grade rating of Baa3 or higher by Moody's, a rating of BBB- or higher by the S&P or a rating of BBB- or higher by Fitch, Inc.

(g) Bonds, debentures, notes, or other indebtedness issued by a state of the United States of America other than Louisiana or any such state's political subdivisions provided that all of the following conditions are met:

(i) The indebtedness has a minimum rating of A3 or higher by Moody's or a rating of A- or higher by S&P a rating of A- or higher by Fitch, Inc.

(ii) Prior to purchase of any such indebtedness and at all times during which such indebtedness is owned, the Authority or the Corporation retains the services of an investment advisor registered with the United States Securities and Exchange Commission.

(h) Investment agreements supported by appropriate opinions of counsel.

(i) Other forms of investments (including repurchase agreements) supported by appropriate opinions of counsel.

The value of the above investments, other than cash, shall be determined as follows:

"Value", which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

(a) As to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) As to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) As to certificates of deposit and bankers acceptances, the face amount thereof, plus accrued interest; and

(d) As to any investment not specified above, the value thereof established by prior agreement among the Authority and the Trustee.

"Principal Account" means the Principal Account within the Series 2013 Debt Service Fund created pursuant to Article IV of this Supplemental Indenture.

"Property" means the immovable property more particularly described in Exhibit A attached to the Ground Lease and all Improvements now or thereafter located thereon, including the Facilities, together with all other rights and interests leased pursuant thereto.

"Receipts Fund" means the fund of that name held by the Trustee pursuant to Article IV of the Original Indenture.

"Record Date" means the fifteenth calendar day of the month next preceding an Interest Payment Date, or, if such day shall not be a Business Day, the next preceding Business Day.

"Redemption Date" means August 1, 2014, the date on which all Refunded Bonds will be redeemed.

"Redemption Price" means the amount necessary to pay the principal of and interest on the Refunded Bonds to the Redemption Date.

"Refunded Bonds" means the Series 2004A Bonds.

"Refunding Act" means Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456).

"Replacement Fund" shall mean the Replacement Fund held by the Trustee pursuant to the Indenture.

"Series 2004 Bond Insurer" means MBIA Insurance Corporation, as insurer for the Series 2004 Bonds, and any successor thereto.

"Series 2004 Bonds" means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

"Series 2004 Debt Service Fund" means the Debt Service Fund created pursuant to the Original Indenture.

"Series 2004 Debt Service Reserve Fund" shall mean the Debt Service Reserve Fund held by the Trustee pursuant to the Original Indenture.

"Series 2004A Bonds" means the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A.

"Series 2004B Bonds" means the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B.

"Series 2013 Bond Proceeds Fund" means the fund of that name created under Section 4.1 of this Supplemental Indenture.

"Series 2013 Bonds" means the \$_____ Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013, and such bonds issued in exchange for those issued pursuant to this Supplemental Indenture, or in replacement for those issued pursuant to this Supplemental Indenture, which bonds have been mutilated, destroyed, lost or stolen.

"Series 2013 Costs of Issuance Account" means the account of that name created under Section 4.1 of this Supplemental Indenture.

"Series 2013 Debt Service Fund" means the fund of that name created under Section 4.1 of this Supplemental Indenture.

"Series 2013 Debt Service Reserve Fund" means the fund of that name created under Section 4.1 of this Supplemental Indenture.

B-8
"Series 2013 Debt Service Reserve Fund Requirement" means one-half (1/2) of the least of (a) ten percent (10%) of the stated principal amount of the Series 2013 Bonds, (b) one hundred twenty-five percent (125%) of the average Annual Debt Service on the Series 2013 Bonds from the date of calculation to the final maturity thereof or (c) the Maximum Annual Debt Service with respect to the Series 2013 Bonds. [Being discussed with prior Bond Insurer]

"Series 2013 Rebate Fund" means the fund of that name created under Section 4.1 of this Second Supplemental Indenture.

"S&P" or "Standard & Poor's Ratings Group" mean Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority with the approval of the Corporation.

"State" means the State of Louisiana.

"Supplemental Indenture" means this First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions hereof.

"Supplemental Loan Agreement" the First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof

"Tax Regulatory Agreement" means the Tax Regulatory Agreement and Arbitrage Certificate dated the Closing Date, among the Corporation, the Board, the Trustee and the Authority.

"Trust Estate" means all the property assigned by the Authority to the Trustee pursuant to the Indenture as security for the Bonds.

"Trustee" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Supplemental Indenture that may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture, initially The Bank of New York Mellon Trust Company, N.A.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

Section 1.2 Rules of Construction. The following rules shall apply to the construction of this Supplemental Indenture unless the context requires otherwise: (a) the singular includes the plural and the plural, the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to "writing" include printing, photocopying, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words "including," "includes" and "include" shall be deemed to be followed by the words "without limitation"; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Supplemental Indenture unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent that such amendments and other modifications are permitted or not prohibited by the terms of this Supplemental Indenture; (h) references to Persons include their respective successors and assigns permitted or not prohibited by the terms of this Supplemental Indenture; (i) an accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles; (j) "or" is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which have expired shall be of no force and effect after such termination, release or expiration; (m) references to mail shall be deemed to refer to first-class, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Baton Rouge, Louisiana time; (o) references to specific persons, positions or officers shall include those who or which succeed to or perform their respective functions, duties or responsibilities referred to in the Bond proceedings; (p) the terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Supplemental Indenture as a whole and not to any particular article, section or subdivision hereof; and the term "heretofore" means before the date of adoption of this Supplemental Indenture, the term "now" means at the date of adoption of this Supplemental Indenture, and the term "hereafter" means after the date of adoption of this Supplemental Indenture; and (q) references to payments of principal include any premium payable on the same date.

ARTICLE II GRANTING CLAUSES

Section 2.1 Granting Clauses. In consideration of the acceptance by the Trustee of the trusts and duties set forth in this Supplemental Indenture on behalf of the owners of all Series 2013 Bonds issued and secured hereunder; of the purchase and acceptance of the Series 2013 Bonds issued and secured by this Supplemental Indenture by the owners thereof; of the payment of the purchase price of the Series 2013 Bonds to the Trustee for application as provided hereinafter; and in order to secure the payment of any and all Series 2013 Bonds at any time Outstanding hereunder, according to the tenor and effect thereof and the premium and interest thereon, the payment of all costs, fees and charges specified herein, and the payment of all other sums if any, from time to time due to the owners of all Series 2013 Bonds secured hereunder and to the Trustee or its successors and assigns, or to others, according to the intent and meaning of all such Series 2013 Bonds and this

Supplemental Indenture, up to a maximum principal amount of \$_____, and for the purpose of securing the performance and observance by the Authority of all the covenants and conditions herein contained, the Authority does hereby TRANSFER, ASSIGN AND DELIVER TO AND IN FAVOR OF the Trustee, and its successor or successors in trust, for the benefit of the owners of all Series 2013 Bonds secured hereunder on a parity basis with the Series 2004 Bonds and any Additional Bonds, its interest in the following described properties, rights, interests and benefits, together with its leasehold interest in the immovable property subject to the Mortgage, which are collectively called the "Trust Estate" for purposes of the Indenture:

All right, title and interest of the Authority in, to and under the Loan Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), all payments, proceeds, revenues, income, receipts, issues, benefits and other moneys received or derived by the Authority under the Loan Agreement including, without limitation, the Payments to be paid by the Corporation to the Trustee for the account of the Authority pursuant to Section 4.2 of the Loan Agreement;

All right, title and interest of the Authority in, to and under the Ground Lease and the Facilities Lease assigned by the Corporation to the Authority under the Loan Agreement, including without limitation its right to receive Base Rental payable under the Facilities Lease, (except for payments of Additional Rental made under the Facilities Lease) and all proceeds of insurance received or receivable by the Corporation, on behalf of the Board, as a result of any damage to or destruction of the Facilities, or any part thereof, all amounts received or receivable by the Corporation, on behalf of the Board, as compensation for the taking or transfer of the Facilities, or any part thereof, in lieu of a taking or use of the Facilities, under the powers of eminent domain, but only to the extent that such proceeds, award or compensation is not used for the restoration, repair or reconstruction of the Facilities to which such proceeds, award or compensation is attributable, all amounts received or receivable by the Corporation, on behalf of the Board, from the sale of the Facilities, or any part thereof, all amounts collected under payment and performance bonds, if any, maintained with respect to the Facilities, and any and all additional revenues, income, receipts and other payments (including, without limitation, grants, donations, gifts and appropriations received from any private or public source) that hereafter are received by the Corporation, on behalf of the Board, for or relating to the Facilities or that hereafter may be assigned by the Corporation pursuant to the Loan Agreement, which receipt shall not affect the tax-exempt status of the Series 2013 Bonds;

All cash, moneys, securities and investments that may at any time and from time to time, pursuant to the provisions of the Indenture, be paid to the Trustee or be in the hands of the Trustee, except for moneys in the Rebate Fund and except as the interest of said Trustee in such cash, moneys, securities and investments may otherwise appear in the Indenture, provided, however, that nothing in the Indenture shall be construed to affect any property held by the Trustee in any capacity other than as Trustee hereunder; and

To the extent not covered by the clauses above, all proceeds of any and all of the foregoing.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successor or successors and assigns forever; in trust, nevertheless subject to the terms and conditions and trusts herein set forth, for the equal benefit, security and protection of all and singular the present and future owners of all of the Series 2013 Bonds issued under and secured by this Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, except as may otherwise be provided herein, of any one Series 2013 Bond over any other Series 2013 Bond or of principal over interest or interest over principal, all as herein provided, and for the uses and purposes, and upon the terms, agreements and conditions set forth herein.

The Trust Estate assigned hereunder is also assigned to secure the payment of any and all sums which the Trustee may expend or become obligated to expend (including but not limited to court costs and attorneys'

fees) to preserve and protect any of the Trust Estate or to cure any default of the Corporation under the Loan Agreement or arising out of any such default or incident of delay in payment of sums and the performance of obligations thereunder, or in pursuing or exercising any right, rights, remedy or remedies consequent upon the default of the Corporation thereunder.

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay, or cause to be paid, or provide for the payment pursuant to the provisions of this Supplemental Indenture, the principal of the Series 2013 Bonds, premium, if any, and the interest due or to become due thereon, at the times and in the manner set forth in the Series 2013 Bonds and this Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and agreements as provided in and pursuant to the terms of this Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such performance and payments this Supplemental Indenture and the rights created hereby shall cease, terminate and be void as provided in Article XII hereof; otherwise this Supplemental Indenture shall be and remain in full force and effect.

The Authority hereby covenants and agrees with, and does hereby covenant unto the Trustee, that it has good right and lawful authority to transfer and assign the Trust Estate (subject to the rights and liens previously granted to secure the Series 2004 Bonds) to the extent and in the manner herein provided; that the Authority will not suffer any lien or encumbrance to exist upon the Trust Estate, or any part thereof, superior to the security or lien to accrue or be created under this Supplemental Indenture; or do or suffer any act or thing whereby the security hereof may be diminished or impaired; and the Authority further does covenant, and by these presents hereby covenants and agrees to defend or cause to be defended forever the title to each and every part of said Trust Estate against the claims and demands of all persons whomsoever.

THIS SUPPLEMENTAL INDENTURE FURTHER WITNESSETH and it is expressly declared that all Series 2013 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of said Trust Estate hereby conveyed, transferred, assigned, confirmed, pledged and encumbered is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant with the Trustee and with the respective owners, from time to time, of the Series 2013 Bonds, or any part thereof as follows:

ARTICLE III AUTHORIZATION, TERMS AND CONDITIONS OF SERIES 2013 BONDS

Section 3.1 Series 2013 Bonds Issuable Under this Article Only. No Series 2013 Bonds may be issued under the provisions of this Supplemental Indenture except in accordance with the provisions of this Article.

Section 3.2 Authorization of Series 2013 Bonds.

(a) There is hereby authorized and issued under this Supplemental Indenture \$_____ aggregate principal amount of bonds to be known as "Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013" on a parity with the Series 2004B Bonds, and any Additional Bonds issued in various series from time to time, for the purpose of (i) refunding the Refunded Bonds and (ii) paying the costs of issuance of the Series 2013 Bonds.

(b) The Series 2013 Bonds are issuable as fully registered bonds, without coupons, in Authorized Denominations and shall be numbered from No. R-1 upwards. The Series 2013 Bonds shall be dated the date of delivery, shall mature (subject to prior redemption as hereinafter set forth) on August 1 of the years and in the principal amounts and shall bear interest from the date thereof, payable on February 1 and August 1 of each year, commencing February 1, 2014, at the rates per annum (using a year of 360 days comprised of twelve 30-day months) as follows:

[TO COME]

(c) The principal of, and premium, if any, of the Series 2013 Bonds shall be payable to the registered owners thereof upon surrender of the Series 2013 Bonds at the principal corporate trust office of the Trustee. The interest on the Series 2013 Bonds, when due and payable, shall be paid by check or draft mailed by the Trustee on such due date to each person in whose name a Bond is registered, at the address(es) as they appear on the Bond Register maintained by the Trustee at the close of business on the applicable Record Date irrespective of any transfer or exchange of the Series 2013 Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Authority shall default in payment of interest due on such Interest Payment Date, provided that the owners of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owners have requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of any such default, such defaulted interest shall be payable on a payment date established by the Trustee to the persons in whose names the Series 2013 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owners of the Series 2013 Bonds not fewer than fifteen (15) days preceding such special record date. Payment as aforesaid shall be made in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

Section 3.3 Form of Series 2013 Bonds. The Series 2013 Bonds issued under this Supplemental Indenture shall be substantially in the form set forth in Exhibit A attached hereto and made a part hereof with such appropriate variations, additions, omissions and insertions as are permitted or required by this Supplemental Indenture. All Series 2013 Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Series 2013 Bonds may be listed or any usage or requirement of law with respect thereto. All Series 2013 Bonds may bear identifying CUSIP numbers, but any failure to include such numbers or any error in any CUSIP number so included shall not in any way affect the validity of the Series 2013 Bonds.

Section 3.4 Redemption of Series 2013 Bonds.

(a) Optional Redemption. The Series 2013 Bonds maturing August 1, 20__ and thereafter are subject to redemption prior to maturity at the option of the Corporation, upon written direction to the Authority, on or after August 1, 20__ as a whole at any time, or in part on any Interest Payment Date, the maturity of said Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(b) Extraordinary Redemption. The Series 2013 Bonds shall be redeemed as a whole or in part (in an integral multiple of \$5,000) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds, condemnation award or payment in lieu of condemnation

with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, in an aggregate principal amount equal to the amount of such insurance proceeds, condemnation award or payment in lieu of condemnation not used for restoration, repair or reconstruction. If in part, the Series 2013 Bonds to be redeemed shall be in the inverse order of their maturity and selected within a maturity by the Trustee in such manner as the Trustee may determine. If the amount of any insurance proceeds, condemnation award or payment in lieu of condemnation to be applied in redemption of the Series 2013 Bonds is not an integral multiple of \$5,000, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subparagraph (b) shall be decreased to the next lower multiple of \$5,000.

(c) Any Additional Bonds issued under the provisions of Article V of this Supplemental Indenture may be made subject to redemption, either in whole or in part and at such times and prices, as may be provided in the resolution or resolutions of the Authority authorizing the issuance of such Additional Bonds.

(d) Unless otherwise specified above, if fewer than all of the Series 2013 Bonds shall be called for redemption, the Series 2013 Bonds to be redeemed shall be in inverse order of their maturity, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

(e) At least thirty (30) days before the redemption date of any Series 2013 Bonds, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if fewer than all of the Series 2013 Bonds then Outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

(f) On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided and money for payment of the redemption price being held in the Series 2013 Debt Service Fund in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, the Series 2013 Bonds or portions of Series 2013 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2013 Bonds or portions of Series 2013 Bonds on such date, interest on the Series 2013 Bonds or portions of Series 2013 Bonds so called for redemption shall cease to accrue, such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to be entitled to any benefit or security under this Supplemental Indenture, and the owners of such Series 2013 Bonds or portions of Series 2013 Bonds shall not have rights in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the next paragraph, to receive Series 2013 Bonds for any unredeemed portions of Series 2013 Bonds.

(g) In case part, but not all, of an Outstanding Series 2013 Bond shall be selected for redemption, the registered owner thereof or his legal representative shall present and surrender such Series 2013 Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the

Trustee shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2013 Bond so surrendered, a new Series 2013 Bond.

(h) Series 2013 Bonds and portions of Series 2013 Bonds that have been duly called for redemption under the provisions of this Article, or with respect to which irrevocable instructions to call for redemption have been given to the Trustee in form satisfactory to it, and for the payment of the redemption price for which moneys, or Defeasance Obligations, shall be held by the Trustee in a segregated account in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, shall not thereafter be deemed to be outstanding under the provisions of this Supplemental Indenture and shall cease to be entitled to any security or benefit under this Supplemental Indenture other than the right to receive payment from such moneys.

Section 3.5 Execution; Limitation of Liability. The Series 2013 Bonds shall be executed on behalf of the Authority with the manual or facsimile signatures of the Chairman, Vice Chairman or Executive Director and the Secretary or Assistant Secretary of the Authority, and shall have impressed or imprinted thereon the official seal of the Authority or a facsimile thereof. The Series 2013 Bonds, together with interest and premium, if any, thereon, shall not constitute a debt of the State or any political subdivision thereof. The Series 2013 Bonds, together with interest thereon, shall be limited and special obligations of the Authority and shall be secured by and payable solely out of revenues derived from the Payments made pursuant to the Loan Agreement and Trust Estate pledged hereunder. The Authority shall not be obligated to pay the principal of the Series 2013 Bonds or the interest or premium, if any, thereon or other costs incidental thereto except from payments made pursuant to the Loan Agreement. In case any officer of the Authority whose signature or whose facsimile signature shall appear on the Series 2013 Bonds shall cease to be such officer before the delivery of such Series 2013 Bonds, such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE A PLEDGE OF THE GENERAL CREDIT OF THE AUTHORITY OR THE CORPORATION AND DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY, OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS TO BE RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

Section 3.6 Authentication. No Series 2013 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Supplemental Indenture unless and until a certificate of authentication substantially in the form set forth in Exhibit A attached hereto and made a part hereof shall have been duly executed by a duly authorized representative of the Trustee, and such executed certificate of the Trustee upon any such Series 2013 Bond shall be conclusive evidence that such Series 2013 Bond has been authenticated and delivered under this Supplemental Indenture. The Trustee's certificate of authentication on any Series 2013 Bond shall be deemed to have been executed by it if signed by an authorized representative of the Trustee, but it shall not be necessary that the same representative sign the certificate of authentication on all of the Series 2013 Bonds issued hereunder.

Section 3.7 Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds. In the event any outstanding Series 2013 Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Authority may execute and, upon its request, the Trustee may authenticate a new Series 2013 Bond of the same principal amount and of like tenor as the mutilated, lost or stolen or destroyed Series 2013 Bond; provided that, in the case of any mutilated Series 2013 Bond, such mutilated Series 2013 Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Series 2013 Bond, there shall be first furnished to the Authority and the Trustee evidence of such loss, theft or destruction in form satisfactory to the Authority and the Trustee, together with indemnity satisfactory to them. In the event any such Series 2013 Bond shall have matured, instead of issuing a substitute Series 2013 Bond the Authority may authorize the payment of the same. The Authority and the Trustee may charge the owner of such Series 2013 Bond with their reasonable fees and expenses in this connection. Any Series 2013 Bond issued under the provisions of this Section 3.7 in lieu of any Series 2013 Bond alleged to be destroyed, lost or stolen shall constitute an original additional contractual obligation on the part of the Authority, whether or not the Series 2013 Bond so alleged to be destroyed, lost or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Supplemental Indenture together with all other Series 2013 Bonds in substitution for which such Series 2013 Bonds were issued.

Section 3.8 Registration of Series 2013 Bonds.

(a) The Trustee shall be the bond registrar for the Series 2013 Bonds. So long as any of the Series 2013 Bonds shall remain outstanding, there shall be maintained and kept for the Authority, at the principal corporate trust office of the Trustee, the Bond Register for the registration and transfer of the Series 2013 Bonds and, upon presentation thereof for such purpose at said office, the Trustee shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Series 2013 Bond.

(b) Each Series 2013 Bond shall be transferable only upon the Bond Register at the principal corporate trust office of the Trustee at the written request of the registered owner thereof or his legal representative duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his legal representative duly authorized in writing. Upon the transfer of any such Series 2013 Bond, the Trustee shall issue in the name of the transferee, in authorized denominations, one or more Series 2013 Bonds of the same aggregate principal amount as the surrendered Series 2013 Bonds.

Section 3.9 Persons Treated as Owners.

(a) The Authority and the Trustee may, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on any Series 2013 Bond and for all other purposes, deem and treat the person in whose name such Series 2013 Bond shall be registered upon the Bond Register as the absolute owner of such Series 2013 Bond, whether or not such Series 2013 Bond is overdue, and neither the Authority nor the Trustee shall be affected by any notice to the contrary.

(b) Payment made to the person deemed to be the owner of any Series 2013 Bond for the purpose of such payment in accordance with the provisions of this Section 3.9 shall be valid and effectual, to the extent of the sum or sums so paid, to satisfy and discharge the liability upon such Series 2013 Bond in respect of which such payment was made.

Section 3.10 Exchange and Transfer of Series 2013 Bonds. As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal

corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Series 2013 Bonds in Authorized Denominations.

(b) For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(c) The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

Section 3.11 Cancellation and Destruction of Surrendered Series 2013 Bonds. Upon the surrender to the Trustee of any temporary or mutilated Series 2013 Bonds, or Series 2013 Bonds transferred or exchanged for other Series 2013 Bonds, or Series 2013 Bonds paid at maturity by the Authority, the same shall forthwith be canceled and destroyed by the Trustee, and the Trustee, upon the request of the Authority, shall deliver its certificate of such destruction to the Authority.

Section 3.12 Delivery of the Series 2013 Bonds.

(a) Upon the execution and delivery of this Supplemental Indenture, the Authority shall execute and deliver to the Trustee, and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof as shall be directed by the Authority as hereinafter in this Section provided. The Authority shall execute and deliver to the Trustee and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof as shall be directed by the Authority as hereinafter in this Section provided.

(b) Prior to or simultaneously with the delivery by the Trustee of the Series 2013 Bonds there shall be filed with the Trustee:

(i) A copy, duly certified by the Secretary, Executive Director or an Assistant Secretary of the Authority, of the resolution or resolutions adopted by the Authority authorizing the execution and delivery of this Supplemental Indenture and the Loan Agreement, as amended, and all other instruments contemplated thereby and the authorization, issuance, sale and delivery of the Series 2013 Bonds;

(ii) A copy, duly certified by an Authorized Corporation Representative, of the resolution or resolutions of the Corporation authorizing the execution and delivery of the Loan Agreement, and all other instruments contemplated thereby and approving this Supplemental Indenture and the authorization, issuance, sale and delivery of the Series 2013 Bonds;

(iii) Original executed counterparts of this Supplemental Indenture, the Supplemental Loan Agreement, the Facilities Lease and the Ground Lease;

(iv) Signed copies of all opinions of counsel required in connection with the issuance of the Series 2013 Bonds and the transactions contemplated thereby;

(v) A request and authorization to the Trustee on behalf of the Authority and signed by its Chairman, Vice Chairman, Executive Director, Secretary or an Assistant Secretary to authenticate and deliver the Series 2013 Bonds to the purchasers thereof and specifying the amounts to be deposited in the Series 2013 Cost of Issuance Account, the Replacement Fund, the Series 2013 Debt Service Reserve Fund and the Escrow Fund hereunder; and

(vi) A signed copy of the legal opinion of Jones Walker LLP, addressed to the Trustee, to the effect that (i) the Series 2013 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and this Supplemental Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (ii) authorizing the Trustee to rely upon Bond Counsel's approving opinion as if it were addressed to the Trustee.

(c) The Authority hereby authorizes and directs the Trustee to execute and deliver the Tax Regulatory Agreement dated the Closing Date, among the Authority, the Trustee and the Corporation.

Section 3.13 Book-Entry Registration of Series 2013 Bonds.

(a) The Series 2013 Bonds shall be initially issued in the name of Cede & Co., as nominee for DTC, as registered owner of the Series 2013 Bonds, and held in the custody of DTC (or the Trustee as the agent of DTC under the F.A.S.T. delivery system). The Authority and the Trustee acknowledge that the Authority has executed and delivered a Blanket Letter of Representations with DTC and that the terms and provisions of said Letter of Representations shall govern in the event of any inconsistency between the provisions of this Supplemental Indenture and said Letter of Representations. A single bond certificate for each maturity of Series 2013 Bonds will be issued and delivered to DTC. The Beneficial Owners will not receive physical delivery of Series 2013 Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Series 2013 Bond acquired. For so long as DTC shall continue to serve as securities depository for the Series 2013 Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Series 2013 Bonds is to receive, hold or deliver any Bond certificate.

(b) For every transfer and exchange of the Series 2013 Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

(c) The Authority, the Corporation and the Trustee will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

(d) Neither the Authority, the Trustee, the Corporation nor the Board is responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy in lieu of consent.

(e) Whenever during the term of the Series 2013 Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Supplemental Indenture of holding, delivering

B-12

or transferring Series 2013 Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

(f) DTC may determine to discontinue providing its services with respect to the Series 2013 Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law.

(g) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2013 Bonds if the Authority determines that (i) DTC is unable to discharge its responsibilities with respect to the Series 2013 Bonds, or (ii) a continuation of the requirement that all of the outstanding Series 2013 Bonds be registered on the registration books kept by the Trustee in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Series 2013 Bonds.

(h) Upon the termination of the services of DTC with respect to the Series 2013 Bonds pursuant to the above two paragraphs, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority is willing and able to undertake such functions upon reasonable and customary terms, the Authority is obligated to deliver Series 2013 Bonds to the owner, at the expense of the said owner as described in this Supplemental Indenture, and the Series 2013 Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names holders transferring or exchanging Series 2013 Bonds shall designate in accordance with the provisions of this Supplemental Indenture.

(i) Notwithstanding any other provision of this Supplemental Indenture to the contrary, so long as any Series 2013 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Series 2013 Bond and all notices with respect to such Series 2013 Bond shall be made and given, respectively, in the manner provided in the Blanket Letter of Representations of the Authority dated November 17, 1998 and delivered to DTC.

(j) If at any time DTC ceases to hold the Series 2013 Bonds, all references herein to DTC shall be of no further force or effect.

ARTICLE IV
FUNDS AND ACCOUNTS; FLOW OF FUNDS;
INVESTMENTS; DEPOSITS; ARBITRAGE

Section 4.1 Creation and Use of Funds and Accounts. On or prior to the Closing Date, in addition to the funds and accounts created pursuant to the Original Indenture, the following special trust funds and accounts (except as qualified in this Section 4.1) shall be established and maintained with the Trustee so long as any Series 2013 Bonds issued under this Supplemental Indenture are outstanding:

- therein;
- (a) Series 2013 Bond Proceeds Fund and a Series 2013 Costs of Issuance Account
 - (b) Series 2013 Debt Service Fund, and the following accounts therein:
 - (i) Interest Account;

(ii) Principal Account;

(c) Series 2013 Debt Service Reserve Fund; and

(d) Series 2013 Rebate Fund.

Section 4.2 Series 2013 Bond Proceeds Fund.

(a) On or prior to the Closing Date, the Series 2013 Bond Proceeds Fund shall be used to receive the proceeds of the Series 2013 Bonds, a transfer from the Series 2004 Debt Service Reserve Fund held by the Trustee and the Board Contribution. Any funds received prior the Closing Date may be held uninvested. On the Closing Date, the Trustee shall disburse amounts held in the Series 2013 Bond Proceeds Fund as follows:

(i) to retain such sum in the Series 2013 Costs of Issuance Account as may be specified in the request and authorization delivered pursuant to Section 3.12 hereof;

(ii) to transfer to the Series 2013 Debt Service Reserve Fund an amount equal to the Series 2013 Debt Service Reserve Fund Requirement; and

(iii) to transfer to the Escrow Trustee for deposit to the Escrow Fund the balance of the proceeds of the Series 2013 Bonds and the Board Contribution.

(b) Amounts deposited on the Closing Date into the Series 2013 Costs of Issuance Account of the Series 2013 Bond Proceeds Fund shall be disbursed, pursuant to the written instructions of the Authority, to pay Costs of Issuance. The Trustee is authorized and directed to pay such Costs of Issuance in accordance with the payment instructions set forth in the respective invoices submitted to the Trustee for payment pursuant to such written instructions of the Authority. Any amounts remaining in the Series 2013 Costs of Issuance Account 180 days after delivery of the Series 2013 Bonds (and not specifically committed to pay additional Costs of Issuance) shall be deposited into the Interest Account of the Series 2013 Debt Service Fund.

Section 4.3 Series 2013 Debt Service Fund. The Trustee shall deposit into the applicable account of the Series 2013 Debt Service Fund the amounts required by Section 4.6 of this Supplemental Indenture.

(a) Moneys on deposit in the Interest Account of the Series 2013 Debt Service Fund shall be used solely to pay the interest on the Series 2013 Bonds as it becomes due and payable, whether on an Interest Payment Date, at maturity or upon acceleration.

(b) Moneys on deposit in the Principal Account of the Series 2013 Debt Service Fund shall be used solely to pay the principal of the Series 2013 Bonds as it becomes due and payable, whether at maturity, prior redemption or upon scheduled sinking fund redemption; and, if funds are available for such purpose and at the written direction of the Authority, to effect the redemption of the Series 2013 Bonds prior to their maturity in accordance with the redemption provisions hereof or the purchase of Series 2013 Bonds prior to their maturity in the open market at a price not in excess of the then applicable redemption price (the principal amount thereof, premium, if any, plus accrued interest).

(c) Whenever and to the extent that money on deposit in the Interest Account or the Principal Account is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in

satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, the Trustee shall transfer money from the Surplus Fund, the Replacement Fund and the Debt Service Reserve Fund, in that order.

Section 4.4 Replacement Fund. The Replacement Fund shall be maintained with the Trustee and used to fund the cost of replacing any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, fixtures or equipment placed upon or used in connection with the Facilities. Moneys in the Replacement Fund will also be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts, together with money available therefor in the Surplus Fund, is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Section 4.5 Series 2013 Rebate Fund. Moneys deposited and held in the Series 2013 Rebate Fund shall be used to make all rebate payments owed to the United States under the Code, and shall not be subject to the pledge of this Supplemental Indenture. The Corporation shall make the calculation(s) required by the Code and the Tax Regulatory Agreement and Arbitrage Certificate and shall direct the Trustee to make deposits to and make disbursements from the Series 2013 Rebate Fund that the Corporation determines are in accordance therewith. The Tax Regulatory Agreement and any provisions of this Supplemental Indenture governing deposits to the Series 2013 Rebate Fund may be superseded or amended by the Corporation (except the requirement of annual calculations and deposits to the Series 2013 Rebate Fund, if required) if accompanied by an opinion of Bond Counsel addressed to the Corporation and the Trustee to the effect that the use of the new Tax Regulatory Agreement will not cause the interest on the Series 2013 Bonds to become includable in gross income of the recipient thereof for federal tax purposes.

Section 4.6 Receipts Fund. There shall be deposited into the Receipts Fund all funds received from or paid on behalf of the Board under the Facilities Lease, including: (i) daily, all rents, charges and other amounts, held in the deposit account maintained by the Management Company pursuant any Management Agreement; and (ii) all Lawfully Available Funds from the Board used to make Base Rental Payments pursuant to the Facilities Lease. The Trustee will transfer the amount so deposited in the Receipts Fund to the Series 2004 Debt Service Fund and the Series 2013 Debt Service Fund without distinction or priority. Moneys on deposit in the Receipts Fund will be withdrawn by the Trustee in accordance with the requirements of the Original Indenture and this Supplemental Indenture and ratably on a parity therewith and applied in the following priority:

- (a) At such time as may be required by the Tax Regulatory Agreement but not less often than annually, to the Rebate Fund and the Series 2013 Rebate Fund the amount required to be deposited thereunder;
- (b) On the twenty-fifth (25th) day of each month, beginning on the twenty-fifth (25th) day of the month following the effective date of any Management Agreement, to the Operating Fund (as defined in the Management Agreement) maintained by the Management Company, an amount necessary to make the amount in the Operating Fund equal to the Operating Expenses for the next month as shown on the Operating Budget (as defined in the Management Agreement) for such month, as certified by the Management Company;
- (c) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2004B Bonds

and Series 2013 Bonds on February 1, 2014 and thereafter, on the 25th day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on the next February 1 and August 1 or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds and Series 2013 Bonds on such Interest Payment Date;

(d) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at an Auction Rate on such Interest Payment Date;

(e) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at a Variable Rate on such Interest Payment Date;

(f) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Principal Account of the Series 2004 Debt Service Fund and the Principal Account of the Series 2013 Debt Service Fund an amount equal to one-ninth (1/9th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the 25th day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on the next Principal Payment Date;

(g) On the twenty-fifth (25th) day of the month, any amounts due to the Series 2004 Bond Insurer under the Reimbursement Agreement;

(h) On the twenty-fifth (25th) day of each month following any drawing on the Debt Service Reserve Fund in accordance with Section 4.21 of the Original Indenture or any drawing on the Series 2013 Debt Service Reserve Fund in accordance with Section 4.13 hereof, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement for the Series 2004B Bonds and the Series 2013 Debt Service Reserve Fund to equal the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds within twelve (12) months or (ii) the excess of the Debt Service Reserve Fund Requirement for the Series 2004 Bonds or the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds over the amount on deposit in the Debt Service Reserve Fund or the Series 2013 Debt Service Reserve Fund;

(i) Annually, beginning August 1, 2014, an amount equal to \$122,987.38 into the Replacement Fund, with such amount increased each year, beginning August 1, 2015 at a rate of 3% annually; or such lesser annual amount as is permitted by the Board of Regents and approved by the Series 2004 Bond Insurer and, in the event that any funds shall have been withdrawn from the Replacement Fund to cure any deficiency in the Interest Account or the Principal Account of the Series 2004 Debt Service Fund or the Interest Account or the Principal Account of the Series 2013 Debt Service Fund pursuant to Section 4.3(c) hereof, the amount of such withdrawal;

B-14

(j) On the twenty-fifth (25th) day of each month, commencing the month following the effective date of any Management Agreement, an amount equal to the monthly Management Fee for the current Fiscal Year plus any Management Fee for any prior month that remains unpaid;

(k) Annually on August 1 of each year beginning August 1, 2014 any amounts remaining in the Receipts Fund after making all transfers required to be made on such date under Section 4.6(a) through (j) hereof shall be transferred to the Surplus Fund and applied as set forth in Section 4.25 of the Original Indenture.

After a Variable Rate Conversion of the Series 2004B Bonds, payments will be made from the Receipts Fund to the Series 2004 Debt Service Fund in accordance with the supplemental indenture executed in connection with such Variable Rate Conversion.

Section 4.7 Series 2013 Debt Service Reserve Fund. Moneys on deposit in the Series 2013 Debt Service Reserve Fund shall be maintained in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement, and shall be transferred, in accordance with the priority set out in Section 4.3(c) above, to the Interest Account or the Principal Account of the Series 2013 Debt Service Fund in such amount as shall be necessary to remedy any deficiency therein (taking into account any amounts available therefor in the Surplus Fund and the Replacement Fund). Whenever the amount in the Series 2013 Debt Service Reserve Fund, together with the amount in the Series 2013 Debt Service Fund, is sufficient to pay in full all outstanding Series 2013 Bonds in accordance with their terms, the funds on deposit in the Series 2013 Debt Service Reserve Fund shall be transferred to the Series 2013 Debt Service Fund and shall be available to pay all outstanding Series 2013 Bonds in accordance with their terms. If the balance of the Series 2013 Debt Service Reserve Fund is greater than the Series 2013 Debt Service Reserve Fund Requirement, all amounts in the Series 2013 Debt Service Reserve Fund in excess of the Series 2013 Debt Service Reserve Fund Requirement shall be transferred to the Interest Account of the Series 2013 Debt Service Fund. In no event shall moneys in the Series 2013 Debt Service Reserve Fund be used to make payments of principal or interest on the Series 2004B Bonds and in no event shall the moneys in the Series 2004 Debt Service Reserve Fund be used to make payments of principal and interest on the Series 2013 Bonds.

Section 4.8 Surplus Fund. The Surplus Fund will continue to be maintained with the Trustee. Upon satisfaction of certain performance covenants contained in the Indenture, funds on deposit in the Surplus Fund at the end of any Fiscal Year will be transferred to the University. Until such transfer, moneys in the Surplus Fund will be available to be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Section 4.9 Investments. Moneys contained in the funds and accounts held by the Trustee under Section 4.1 of this Supplemental Indenture shall be continuously invested and reinvested by the Trustee at the direction of the Corporation in Permitted Investments, to the extent practicable, that shall mature (or be readily convertible to cash) not later than the respective dates, as estimated by the Trustee, when the moneys in said Funds and Accounts shall be required for the purposes intended, and:

(i) No such investment shall be required to be made unless the cash at the time available therefor is at least equal to \$1,000;

(ii) The Trustee shall be authorized, to the extent necessary to enable the Trustee to discharge or perform its obligations hereunder, at any one or more times to sell any part or all of the investments whenever it may, for any reason or purpose whatsoever, deem any such sale to be desirable;

(iii) Any income derived from and any profit or loss on any such investment of moneys on deposit in any such fund or account shall be credited or debited, as the case may be, to the respective fund or account in which earned;

(iv) No Permitted Investments in any fund or account may mature beyond the latest maturity date of any Series 2013 Bonds outstanding at the time such Permitted Investments are deposited. For the purposes of this section, the maturity date of repurchase agreements for obligations is the maturity date of such repurchase agreements and not the maturity date of the underlying obligation; and

(b) An Authorized Corporation Representative shall give to the Trustee directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Article and Article V of the Loan Agreement, and the Trustee shall then invest such money under this Section as so directed. The Trustee shall in no event have any liability for any loss resulting from the investment of moneys in accordance with the directions of the Authorized Corporation Representative. The Trustee shall furnish the Authority annually with a written copy and the Corporation with a written copy for the Board, on at least a monthly basis, of the types, amounts, yield and maturities of all such investments.

(c) All cash investments shall be valued by the Trustee as frequently as deemed necessary by the Trustee, but not less often than annually, at the market value thereof. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date.

Section 4.10 Depository of Moneys and Security for Deposits. All of the funds and accounts established hereunder (except for the Series 2013 Rebate Fund) shall be special trust accounts held by the Trustee in trust for the benefit of the owners of the Series 2013 Bonds and shall not be subject to lien or attachment by any creditors of the Trustee, the Authority, the Corporation, or the Board. Uninvested sums in these funds and accounts shall be continually secured as are deposits of uninvested sinking funds of political subdivisions of the State or in the manner prescribed by Federal law for securing any Federal trust funds as may be prescribed from time to time by the Comptroller of the Currency.

Section 4.11 Arbitrage. Notwithstanding all the provisions hereof, the Authority shall not direct the investment of moneys in the various funds and accounts created hereunder in a manner that would result in the loss of exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes or in such manner which would result in the Series 2013 Bonds becoming "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 4.12 Amounts Remaining in Funds; Releases. It is agreed by the parties hereto that any amounts remaining in the Funds and Accounts existing pursuant to this Supplemental Indenture upon the expiration or sooner cancellation or termination of the Loan Agreement, as provided therein, after payment in full of all Series 2013 Bonds then outstanding under this Supplemental Indenture (or provisions for the payment thereof having been made in accordance with Article XII of this Supplemental Indenture), and the fees, charges and expenses of the Authority and the Trustee and all other amounts required to be paid under the Loan Agreement and under this Supplemental Indenture, other than amounts payable as arbitrage rebate under Section 148(f) of the Code, shall belong to and be paid to the Board.

Section 4.13 Application of Moneys in the Series 2013 Debt Service Reserve Fund.

(a) The Series 2013 Debt Service Reserve Fund shall be funded on the date of delivery of the Series 2013 Bonds in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement.

(b) The Trustee shall transfer money from the Series 2013 Debt Service Reserve Fund to the Interest Account and the Principal Account of the Series 2013 Debt Service Fund to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, whenever and to the extent that the money on deposit in said accounts (together with any amounts available therefor in the Surplus Fund and the Replacement Fund) is insufficient for such purposes.

(c) If the money held in the Series 2013 Debt Service Reserve Fund, including interest earnings, exceeds the Series 2013 Debt Service Reserve Fund Requirement an amount equal to such excess shall be transferred by the Trustee to the Interest Account of the Series 2013 Debt Service Fund. The Trustee shall not be required to liquidate any investment before its maturity to make such transfer. Whenever the amount on deposit in the Series 2013 Debt Service Reserve Fund is less than the Series 2013 Debt Service Reserve Fund Requirement, the Trustee shall notify the Authority and the Corporation of the amount of such deficiency and such deficiency will be remedied, as provided in Section 4.6(h) hereof. Upon notification the Corporation shall deliver to the Trustee an amount sufficient to cure the deficiency in accordance herewith and the Agreement.

(d) The Authority may, at the direction of the Corporation, as advised by the Board, at any time, deposit with the Trustee, to replace cash in the Series 2013 Debt Service Reserve Fund (in which case the replaced cash shall be paid to the University) or to meet the requirements herein that it deposit additional amounts in the Series 2013 Debt Service Reserve Fund, a Debt Service Reserve Fund Investment. Any bank issuing a letter of credit must have a rating on its unsecured debt, or on debt secured by its letters of credit and which ratings are based solely on the bank's letter of credit, of "AA-" or better by S&P and "Aa3" or better by Moody's. Any insurance company issuing a surety bond must have a claims-paying ability rating of "AAA" by S&P and "Aaa" by Moody's. If such Debt Service Reserve Fund Investment expires prior to fifteen (15) days after the final maturity of the Series 2013 Bonds, it must provide, that if not renewed within fifteen (15) days prior to its expiration date in an amount equal to the undrawn amount thereof (other than because of a reduction in the Series 2013 Debt Service Reserve Fund Requirement or the deposit of cash in the Series 2013 Debt Service Reserve Fund to replace it), the Trustee may draw the full amount of such Series 2013 Debt Service Reserve Fund Investment. The Trustee shall draw down the full amount of such Debt Service Reserve Fund Investment and deposit such amount in the Series 2013 Debt Service Reserve Fund fifteen (15) days prior to expiration of such Debt Service Reserve Fund Investment if it is not renewed as provided for in the preceding sentence. The Debt Service Reserve Fund Investment must be able to be drawn upon at any time that cash could be withdrawn from the Series 2013 Debt Service Reserve Fund. Prior to accepting any such Debt Service Reserve Fund Investment, the Trustee, the Corporation, the Board and the Authority must receive a Bond Counsel opinion that such acceptance and any payment of funds in the Debt Service Reserve Fund to the Corporation is authorized by this Indenture and will not adversely affect the exclusion of interest on the Series 2013 Bonds. If a Debt Service Reserve Fund Investment is deposited in the Series 2013 Debt Service Reserve Fund in lieu of cash, the cash amount contained in the Series 2013 Debt Service Reserve Fund shall be transferred to the Replacement Fund.

(e) If a disbursement is made under a surety bond deposited in the Series 2013 Debt Service Reserve Fund, the Corporation shall be obligated to either reinstate the maximum limits of such surety bond immediately following such disbursement in twelve (12) equal monthly installments or as required by the

Authority of the Debt Service Reserve Fund Investment in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement or deposit into the Series 2013 Debt Service Reserve Fund funds in the amount of the disbursement made under the Debt Service Reserve Fund Investment, or a combination of such alternatives as shall equal the Series 2013 Debt Service Reserve Fund Requirement.

Section 4.14 Application of Insurance Proceeds; Condemnation Award.

(a) If all or any portion of the Facilities is damaged or destroyed by a Casualty (as defined in the Facilities Lease), or is taken by Expropriation (as defined in the Facilities Lease) proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. The proceeds of any insurance, including the proceeds of any self-insurance through ORM, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in a special account to be established upon receipt of any such funds and held by the Trustee in trust or in the case of self-insurance through ORM, as set forth in paragraph (b) below; and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation as advised by the Board stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee to the Corporation for the Board.

(b) In the event the University decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Trustee and applied to the redemption of the Bonds on a pro rata basis in accordance with the Indenture. The provisions of this Section 4.14(b) shall control over the provisions of the second paragraph of Section 4.22(a) of the Original Indenture.

(c) In the event that ORM insures the Facilities, the Board shall cause the Corporation to use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 4.15 Application of Money in the Replacement Fund.

(a) All moneys in the Replacement Fund shall be held for the benefit of the Board through the Corporation, are not pledged under this Indenture and may be drawn on and used by the

B-16

Corporation or the Board to (i) replace any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, equipment, fixtures and other property owned by the Board or the Corporation and located on the Facilities and (ii) maintain the Facilities and to make all alterations, repairs, restorations and replacements to the Facilities as and when needed to preserve the Facilities in good working order, condition and repair, each as required by the Facilities Lease. Withdrawals from the Replacement Fund for the purposes set forth above shall be made by the Trustee upon its receipt of a requisition from the University or the Corporation substantially in the form attached hereto as Exhibit C to the Original Indenture. Moneys in the Replacement Fund may also be drawn by the Trustee and transferred to the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund if amounts on deposit therein, together with amounts available therefor in the Surplus Fund, are insufficient to pay debt service on the Series 2004B Bonds or the Series 2013 Bonds on any Interest Payment Date or Principal Payment Date.

(b) Any moneys remaining in the Replacement Fund immediately prior to the time all of the Series 2004B Bonds and Series 2013 Bonds are paid, or provision for their payment is made in accordance with Article XII hereof shall, at the option of the University, be used, together with amounts held in the Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund, to pay in full all outstanding Series 2004B Bonds and Series 2013 Bonds in accordance with their terms or shall be paid to the University.

Section 4.16 Application of Money in the Surplus Fund.

(a) Funds on deposit in the Surplus Fund at the end of any Fiscal Year may be transferred to the University on the date described below if (i) the Debt Service Coverage Ratio for the Facilities was 1.10:1.00 or greater for such Fiscal Year as evidenced by the audited financial statements for such Fiscal Year and (ii) neither the Corporation or the Board are in default under the financing documents on the date of transfer to the University. Upon receipt of the audited financial statements for such Fiscal Year, provided that the above described conditions have been met, then at the written instruction of the University Representative, the Trustee shall transfer all of the amounts in the Surplus Fund on the last day of the immediately preceding Fiscal Year to the University.

(b) To the extent that there are insufficient funds in the Receipts Fund to make any of the transfers to the various funds and accounts required under Section 4.6(a) through (j) hereof on the dates such transfers are required to be made, any amounts contained in the Surplus Fund shall be transferred to such funds and accounts, in the priority set forth in Section 4.6 hereof, to make up for such deficiency.

Section 4.17 Application of Moneys in the Series 2013 Rebate Fund. Moneys in the Series 2013 Rebate Fund shall be used to make any rebate payments required to be made to the United States under the Code. The Series 2013 Rebate Fund shall be held for the sole benefit of the United States of America and is not pledged under this Supplemental Indenture. Moneys required to be paid to the United States shall be deposited in the Series 2013 Rebate Fund by the Board as Base Rental under the Facilities Lease as required thereby and by this Supplemental Indenture.

ARTICLE V
ADDITIONAL BONDS

Section 5.1 Additional Bonds. Additional Bonds may be issued in accordance with the provisions of Article V of the Original Indenture.

ARTICLE VI
COSTS OF ISSUANCE

Section 6.1 Payment of Costs of Issuance from Series 2013 Bond Proceeds Fund. There shall be paid into the Series 2013 Costs of Issuance Account in the Series 2013 Bond Proceeds Fund the amounts required to be so paid from Series 2013 Bond proceeds pursuant to Section 4.2(b) of this Supplemental Indenture; and such amounts shall be applied to the payment of all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Series 2013 Bonds including, but not limited to, publication costs, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, the Authority or any other fiduciary, legal fees and charges, fees and disbursements of consultants and professionals and any other cost, charge or fee in connection with the original sale and issuance of the Series 2013 Bonds. Any additional costs of issuance shall be paid solely by the Corporation. The Trustee shall make payments from the Series 2013 Costs of Issuance Account upon receipt of statements from the parties entitled to be paid therefrom accompanied by a written request of the Authority directing the Trustee to pay such statements.

ARTICLE VII
ENFORCEMENT OF LOAN AGREEMENT AND FACILITIES LEASE

Section 7.1 Assignment of Loan Agreement and Facilities Lease. The Authority has assigned all of its right, title and interest in, to and under the Loan Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), including the interest of the Authority in and to the Ground Lease and the Facilities Lease assigned by the Corporation to the Authority thereunder (except for payments of Additional Rentals made under the Facilities Lease), to the Trustee as security for the Series 2013 Bonds and hereby agrees that the Loan Agreement and the Facilities Lease may be enforced by the Trustee and/or the owners of the Bonds in accordance with the terms of the Facilities Lease and the Indenture. Notwithstanding such assignment, the Authority agrees to cause the Corporation to comply with the terms contained in the Loan Agreement and the Facilities Lease and the rights of the Bondholders and the Trustee shall be governed by the provisions of the Indenture, the Loan Agreement and the Facilities Lease.

Section 7.2 Trustee or Bondholders to Enforce Loan Agreement, Facilities Lease and Mortgage. The Trustee may, and upon request of the Series 2004 Bond Insurer or a majority in aggregate principal amount of the Bonds then outstanding shall, subject to the provisions of Section 8.11 and Article IX hereof, strictly and promptly enforce the provisions of the Loan Agreement, the Facilities Lease and Mortgage so long as any of the Bonds remain outstanding under the Indenture. All rights of action (including the right to file proof of claims) to enforce the Loan Agreement, the Facilities Lease and Mortgage under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee for the Bondholders without the necessity of joining as plaintiffs or defendants any of the Bondholders.

ARTICLE VIII
EVENTS OF DEFAULT; REMEDIES

Section 8.1 No Extension of Time for Payment of Principal, Premium or Interest. The Trustee shall not be authorized to extend the time for any payment of principal, premium or interest without the prior written consent of or authorization by the owner of the Series 2013 Bonds so affected.

Section 8.2 Events of Default.

(a) Each of the following events is hereby declared to be an additional “*Event of Default*” under Section 8.2 of the Original Indenture:

(i) The payment of any installment of interest on any of the Series 2013 Bonds shall not be made when the same shall become due and payable;

(ii) The payment of the principal of or premium, if any, on any of the Series 2013 Bonds shall not be made when the same shall become due and payable, whether at maturity or by proceedings for redemption or by acceleration or otherwise;

(iii) An “Event of Default” under Article IX of the Loan Agreement shall have occurred and shall not have been cured within the applicable cure period;

(iv) A default shall occur under Section 21 of the Facilities Lease;

(v) If by action or inaction of the Authority, the Board or the Corporation the interest on the Series 2013 Bonds shall become includable in gross income for Federal income tax purposes; or

(vi) Default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Series 2013 Bonds or in this Supplemental Indenture on the part of the Authority to be performed, if such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority, the Board and the Corporation by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the owners of not less than a majority in principal amount of the Series 2013 Bonds then outstanding. Such default shall not become an Event of Default if said default be of the nature that (A) it cannot be corrected within the thirty (30) day period after receipt of notice, but the Authority (or the Corporation pursuant to the provisions of Section 8.14 of this Supplemental Indenture) promptly shall institute and diligently pursue corrective action until such default is cured and (B) the Trustee shall determine that such default is not curable but such default does not affect the validity or enforceability of the Series 2013 Bonds, this Supplemental Indenture or the Loan Agreement, an event of nonperformance shall not have occurred under the Loan Agreement (other than as a result of the cross-default provisions), and such default does not impair the security or the obligations provided for or under the Bonds, the Indenture or the Loan Agreement.

(b) The word “default” as used herein means failure of performance when due, exclusive of any period of grace, if any, allowed to correct any such failure.

Section 8.3 Remedies. Upon the occurrence of an Event of Default, the Authority, the Trustee and, subject to Sections 8.10 and 8.11, the Bondholders shall have all the rights and remedies as may be allowed by law, the Indenture, or pursuant to the provisions of the Loan Agreement and/or the Facilities Lease by virtue of their assignment hereunder, including but not limited to, acceleration of the maturity of all Bonds, or suit at law or in equity to enforce or enjoin the action or inaction of parties under the provisions of the Indenture, the Loan Agreement or the Facilities Lease.

Section 8.4 Acceleration; Annulment of Acceleration.

(a) Upon the occurrence of an Event of Default described in Section 8.2 of the Indenture, the Trustee may, and upon the written request of the Series 2004 Bond Insurer or the owners of a majority in aggregate principal amount of the Bonds shall, by notice in writing to the Authority, the Board and the

Corporation, declare the Bonds then outstanding immediately due and payable, and such Bonds shall become and be immediately due and payable, anything in such Bonds or in the Loan Agreement or the Indenture to the contrary notwithstanding, and, subject to Article IX, the Trustee may exercise any remedies granted to it therein. In such event, there shall be due and payable on the Bonds an amount equal to the principal amount of all the Bonds then outstanding plus all interest accrued thereon and which will accrue thereon to the date of payment; and

(b) At any time after the principal of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Indenture, the Loan Agreement or the Facilities Lease, the Trustee may annul such declaration and its consequences with respect to the Bonds if (i) moneys shall have been deposited in the Series 2013 Debt Service Fund and the Series 2004 Debt Service Fund sufficient to pay all matured installments of principal (other than principal due solely because of acceleration) and interest; (ii) moneys shall be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Authority and the Trustee; (iii) all other amounts then payable by the Authority or the Corporation under the Indenture or the Loan Agreement shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every Event of Default known to the Authority or the Trustee (other than a default in the payment of the principal of the Bonds due only because of such declaration) shall have been remedied to the satisfaction of the Authority and the Trustee. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 8.5 Insufficiency in the Series 2013 Debt Service Fund; Application of Moneys.

(a) Anything in this Supplemental Indenture to the contrary notwithstanding, if at any time the moneys in the Series 2013 Debt Service Fund shall not be sufficient to pay the interest on, premium, if any, or the principal of the Series 2013 Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities), such moneys, together with any other moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall, subject to the provisions of Sections 9.2 and 9.4 hereof, be applied as follows:

(i) Unless the principal of all the Series 2013 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST, to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay any particular installment, then to the payment thereof, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2013 Bonds; then

SECOND, to the payment to the persons entitled thereto of the unpaid principal of any of the Series 2013 Bonds which shall have become due and payable (other than Series 2013 Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Supplemental Indenture) in the order of their due dates, with interest on the principal amount of such Series 2013 due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the Series 2013 Bonds and their interest thereon, then to the payment thereof ratably, according to the amount of the interest due on such date, and next to the payment of the principal, ratably, according to the amount of such principal

due on such date, to the persons entitled thereto without any discrimination or preference; and then

THIRD, to the payment of the interest on and the principal of the Series 2013, to the purchase and retirement of Series 2013 Bonds and to the redemption of Series 2013 Bonds, all in accordance with the provisions of this Supplemental Indenture.

(ii) If the principal of all the Series 2013 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Series 2013 Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Series 2013 Bond over any other Series 2013 Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference; and

(iii) If the principal of all the Series 2013 Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled, then, subject to the provisions of Section 8.4(b) above, in the event that the principal of all the Series 2013 Bonds shall later become or be declared due and payable, then all such moneys shall be applied in accordance with the provisions of Section 8.4(a) above.

(b) Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for application in the future; the deposit of such money or otherwise setting aside such money in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Supplemental Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the owner of any Series 2013 Bond until such Series 2013 Bond shall be surrendered to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.6 Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

Section 8.7 Reserved.

Section 8.8 Remedies Not Exclusive. No remedy by the terms of the Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or existing at law or in equity on or after the date of adoption of the Indenture.

Section 8.9 Remedies Vested in Trustee. All rights of action under the Indenture, the Loan Agreement or under any of the Bonds may be enforced by the Trustee without possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any owners of the Bonds.

Section 8.10 Reserved.

Section 8.11 Individual Bondholder Action Restricted.

(a) No owner of any Series 2013 Bond shall have any right to institute any suit, action or proceeding for the enforcement of this Supplemental Indenture or for the execution of any trust hereunder or for any remedy under this Supplemental Indenture unless an Event of Default has occurred (other than under Sections 8.2(a)(i) or 8.2(a)(ii)) of the Original Indenture as to which the Trustee has actual notice, or as to which the Trustee has been notified in writing; and

(b) No one or more owners of Series 2013 Bonds shall have any right in any manner whatsoever to disturb or prejudice the security of this Supplemental Indenture or to enforce any right hereunder except in the manner herein provided and then only for the equal benefit of the owners of all outstanding Series 2013 Bonds.

Section 8.12 Waiver and Non-Waiver of Event of Default. No delay or omission of the Trustee or of any owner of Bonds to exercise any right or power accruing upon any Event of Default shall impair the right or power or shall be construed to be a waiver of an Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and to the owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 8.13 Notice of Defaults.

(a) Within 30 days after the receipt of notice of an Event of Default or the occurrence of an Event of Default of which the Trustee is deemed to have notice, the Trustee shall (unless the Event of Default has already been cured) give written notice of the Event of Default to the owners of all Series 2013 Bonds then outstanding in the manner provided in Section 13.8 of this Supplemental Indenture, provided that, except in the case of a default in the payment of principal, redemption price, or interest on any of the Series 2013 Bonds, the Trustee may withhold the notice to the Bondholders if, in its sole judgment, it determines that the withholding of notice is not detrimental to the best interest of the Bondholders.

(b) The Trustee shall immediately notify, in writing, the Authority, the Board, the Series 2004 Bond Insurer and the Corporation of any Event of Default known to the Trustee.

Section 8.14 Opportunity of Corporation to Cure Certain Defaults. The Authority and the Trustee hereby grant the Corporation full authority on the account of the Board and/or the Authority to perform any covenant or obligation and to otherwise fulfill any condition the failure or non-performance of which is or is alleged to be a default under Section 8.2(a)(vi) of this Supplemental Indenture, and the Trustee agrees that performance by the Corporation shall be deemed to be performance by the Board and/or the Authority.

ARTICLE IX
CONCERNING THE TRUSTEE

Section 9.1 Acceptance of Trusts. The Trustee hereby represents and warrants to the Authority (for the benefit of the Board, the Corporation and the Bondholders as well as the Authority) that it is a bank and trust company duly organized and existing under the laws of the State of Louisiana and that it is duly authorized under such laws to accept and execute trusts of the character herein set out. The Trustee accepts and agrees to execute the trusts imposed upon it by this Supplemental Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Supplemental Indenture including the following express terms and conditions, to all of which the parties hereto and the respective Owners of the Series 2013 Bonds agree:

(a) Except during the continuance of an Event of Default within the purview of Section 8.2, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Supplemental Indenture, and the Trustee shall not be responsible for (x) the legality or enforceability of this Supplemental Indenture (except with respect to performance of its obligations hereunder), the Loan Agreement (except with respect to performance of its obligations hereunder), the Facilities Lease (except with respect to performance of its obligations hereunder), the Tax Regulatory Agreement (except with respect to performance of its obligations thereunder), and any supplement thereto, the Series 2013 Bonds (except as to the authentication of the Series 2013 Bonds), or any instruments or documents related thereto (collectively, the "Transaction Documents") or (y) the legality, perfection, sufficiency or priority of the Trust Estate or any lien purported to be granted thereon under any of the aforesaid documents or otherwise. No implied covenants or obligations shall be read into this Supplemental Indenture against the Trustee.

(b) No provision of this Supplemental Indenture shall be construed to relieve the Trustee from liability for its negligence or willful misconduct, except that:

(i) in the absence of bad faith on the part of the Trustee, the Trustee may rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected fully from liability in relying or acting upon, any resolution, opinion of counsel, certificate, request, notice, consent, waiver, order, signature guaranty, notarial seal, stamp, acknowledgment, verification, appraisal, report or other paper or document believed by the Trustee to be genuine and to have been signed, affixed or presented by the proper party or parties; but in the case of any such certificates or opinions that by any provision hereby are specifically required to be furnished to the Trustee, as the case may be, the Trustee shall be under a duty to examine the same to determine whether or not they conform to requirements of this Supplemental Indenture;

(ii) in the absence of bad faith on the part of the Trustee, whenever the Trustee, or any of its agents, representatives, experts or counsel, shall consider it necessary or desirable that any matter be proved or established, such matter shall be deemed to be conclusively proved and established by a certificate executed by an Authorized Authority Representative; provided, however, that the Trustee, or such agent, representative, expert or counsel may require, but is not obligated to require, such further and additional evidence and make such further investigation as it or they may consider reasonable;

(iii) the Trustee may consult with counsel and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance with such advice or opinion of counsel;

(iv) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith and in accordance with any direction or request of the Bondholders;

(v) the Trustee shall not be liable for any error of judgment made in good faith by an officer or employee of the Trustee unless the Trustee is negligent in ascertaining the pertinent facts;

(vi) the Trustee shall not be deemed to have knowledge of any Event of Default, except for the failure of the Corporation to make or cause to be made scheduled payments to the Trustee provided for in the Loan Agreement, unless and until an officer of the Trustee who customarily handles corporate trusts and is assigned to supervise this Supplemental Indenture shall have actual knowledge thereof or the Trustee shall have received written advice thereof from any Bondholder;

(vii) anything in any of the Transaction Documents to the contrary notwithstanding, whether or not an Event of Default shall have occurred, the Trustee shall not be under any obligation to take any action under this Supplemental Indenture that may involve it in any expense or liability, the payment of which within a reasonable time is not, in its opinion, assured to it by the security afforded to it by the terms of this Supplemental Indenture, unless it is requested in writing to do so by one or more owners of the Series 2013 Bonds outstanding hereunder and furnished, from time to time as it may require, with security and indemnity satisfactory to it;

(viii) the Trustee need not take any action or follow any direction from any one or more Bondholders if the Trustee shall be advised by counsel that the action or proceedings so directed may not lawfully be taken or would be prejudicial to Bondholders not parties to such direction, or the Trustee in good faith believes following such direction would involve the Trustee in personal liability;

(ix) in no event shall the Trustee be liable to any person for special, indirect, punitive, exemplary or consequential damages, lost profits or loss of business arising under or in connection with this Supplemental Indenture, even if previously informed of the possibility of such damages and regardless of the form of action; and

(x) anything to the contrary in the Transaction Documents notwithstanding, the permissive right of the Trustee to do anything enumerated or set forth in any of the Transaction Documents shall not be construed as a duty, and the Trustee shall not be held responsible or liable for other than its negligence or willful misconduct.

(c) In case an Event of Default within the purview of Section 8.2 hereof has occurred and is continuing and the Trustee has or is deemed to have knowledge of the Event of Default pursuant to (b)(vi) above, subject to the provisions of this Article IX, the Trustee shall exercise such of the rights and powers vested in it by this Supplemental Indenture and use the degree of care and skill in their exercise as a prudent man would exercise under the circumstances.

(d) Whether or not therein expressly so provided, every provision of this Supplemental Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee, including without limitation Sections 9.3 and 9.4 hereof, shall be subject to the provisions of this Section 9.1. The Trustee also accepts, and agrees to do and perform, the duties and obligations imposed upon it by and under the Loan Agreement, and the Facilities Lease, but only upon the terms and conditions set forth in the Loan Agreement, the Facilities Lease, and this Supplemental Indenture. The rights of the Trustee to do things enumerated in this Supplemental Indenture shall not be construed as a duty.

B-20

Section 9.2 Trustee Entitled to Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Supplemental Indenture or under the Loan Agreement, or to enter any appearance in or in any way defend against any suit, in which it may be made a defendant (except in the case of the Trustee's own negligence), or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder or under the Loan Agreement or the Facilities Lease, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Authority shall reimburse the Trustee from funds available therefor under the Loan Agreement for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Authority shall fail to make reimbursement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Supplemental Indenture and shall be entitled to a preference over any of the Series 2013 Bonds.

Section 9.3 Trustee Not Responsible for Insurance, Taxes, Execution of Supplemental Indenture, Acts of the Authority or Application of Moneys Applied in Accordance with this Supplemental Indenture.

(a) The Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Board or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall have no responsibility in respect of the validity, sufficiency, due execution or acknowledgment of this Supplemental Indenture or the validity or sufficiency of the security provided hereunder or in respect of the validity of the Series 2013 Bonds or the due execution or issuance thereof, except as to the authentication thereof.

(b) The Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

(c) The Trustee shall not be liable or responsible because of the failure of the Authority or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Authority or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other depository in which such moneys shall have been deposited under the provisions of this Supplemental Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Series 2013 Bonds or any other moneys deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Supplemental Indenture.

(d) The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 9.4 Compensation. The Trustee shall be entitled to reasonable compensation for its ordinary services hereunder consistent with the results of the process by which the Trustee was selected and any extraordinary services rendered hereunder and to reimbursement for all expenses incurred in good faith hereunder, including the compensation, expenses and disbursements of such agents, representatives, experts and counsel as the Trustee may employ in connection with the exercise and performance of its powers and duties hereunder. Subject to the provisions of any contract relating to the compensation of the Trustee, the

Authority shall cause the Board to pay to the Trustee as administrative expenses its reasonable fees and charges as Additional Rent in accordance with the Facilities Lease upon the written request of the Trustee and provided the Authority shall be furnished with sufficient funds to pay all costs and expenses (including attorneys' fees) reasonably incurred by the Authority in connection therewith as such costs and expenses accrue. If the Board shall fail to make any payment required by this Section, the Trustee may, but shall be under no obligation to, make such payment from any moneys in its possession under the provisions of this Supplemental Indenture, and the Trustee shall be entitled to a preference therefor over any of the Series 2013 Bonds Outstanding hereunder.

Section 9.5 Trustee to Preserve Records. All records and files pertaining to the Corporation in the custody of the Trustee shall be open at all reasonable times to the inspection of the Authority, the Board, the Corporation and their agents and representatives.

Section 9.6 Trustee May be Bondholder. The Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in any of the Series 2013 Bonds issued under and secured by this Supplemental Indenture, and may join in the capacity of a Bondholder in any action which any Bondholder may be entitled to take with like effect as if such institution were not the Trustee under this Supplemental Indenture.

Section 9.7 Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the Series 2013 Bonds shall be taken and construed as made by and on the part of the Authority and not by the Trustee, and the Trustee shall not be under any responsibility for the correctness of the same.

Section 9.8 Trustee Responsible for Reinscription. The Trustee, as set forth in the Loan Agreement, is required to reinscribe the Loan Agreement and the Mortgage at such times as shall be necessary to preserve the lien thereof. Under the Loan Agreement, the Corporation has covenanted to cooperate with the Trustee with regard to the foregoing.

Section 9.9 Trustee May Rely on Certificates. Subject to the provisions of Section 9.1(b), the Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Supplemental Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Loan Agreement or this Supplemental Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert believed by it to be qualified in relation to the subject matter, and the Trustee shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

ARTICLE X
RESERVED

ARTICLE XI
COVENANTS OF AUTHORITY

Section 11.1 Payment of Principal, Premium and Interest. The Authority covenants that it will promptly pay, or cause to be paid, the principal of, premium, if any, and the interest on every Series 2013 Bond at the places, on the dates and in the manner provided herein and in said Series 2013 Bonds according to the

B-21

true intent and meaning thereof but solely from the revenues of the Trust Estate and not from any other fund or source. The Authority further covenants that it will faithfully perform at all times all of its covenants, undertakings and agreements contained in this Supplemental Indenture, the Loan Agreement or in any Series 2013 Bond executed, authenticated and delivered hereunder or in any proceedings of the Authority pertaining thereto.

Section 11.2 Additional Security. The Authority covenants, whenever and so often as reasonably required to do so by the Trustee, promptly to execute and deliver or cause to be delivered all such other and further instruments, documents or assurances, and to promptly do or cause to be done all such other further things, as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the owners of the Series 2013 Bonds all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Supplemental Indenture.

Section 11.3 Cure Title Defects. The Authority covenants to promptly, upon the request of the Trustee, from time to time, take or cause to be taken such action as may be necessary or proper to remedy or cure any material defect in or cloud upon the title to the Trust Estate or any part thereof, whether now existing or hereafter developing, and to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Trustee and every owner of Series 2013 Bonds, solely from the Trust Estate, harmless from all loss, cost, damage and expense, including attorneys' fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceedings.

Section 11.4 Defend Against Actions. The Authority covenants to defend or cause to be defended every suit, action or proceeding at any time brought against the Trustee or any owner of Series 2013 Bonds upon any claim arising out of the receipt, application or disbursement of any of the revenues of the Trust Estate or involving the Authority's, the Trustee's or such Bondholders' rights under this Supplemental Indenture or the Loan Agreement and to indemnify and save harmless, solely from the Trust Estate, the Trustee and Bondholders against any and all liability claimed or asserted by any person whomsoever, arising out of such receipt, application or disbursement of any such revenues; provided, however, that the Trustee or any owner of Series 2013 Bonds at its or his election may appear in and defend against any such suit, action or proceeding; and notwithstanding any contrary provision hereof, this covenant shall continue and remain in full force and effect until all indebtedness, liabilities, obligations and other sums secured hereby have been fully paid and satisfied, and this Supplemental Indenture has been released of record and the lien hereof discharged.

Section 11.5 Non-Impairment of Security. The Authority covenants that so long as any of the Series 2013 Bonds issued pursuant to this Supplemental Indenture are outstanding and unpaid, the Authority will not voluntarily consent to any amendment to the Loan Agreement or otherwise take any action which will reduce the amount of moneys made available thereunder to the Trustee, or which will in any manner impair or adversely affect the rights of the Authority or the Trustee or the security provided by this Supplemental Indenture to the owners from time to time of the Series 2013 Bonds.

Section 11.6 Authority's Obligation Limited. Nothing in the Loan Agreement or this Supplemental Indenture is intended to require or obligate nor shall anything therein be interpreted to require or obligate the Authority for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Authority other than from the Trust Estate.

ARTICLE XII DEFEASANCE

Section 12.1 Payment

(a) When all of the Series 2013 Bonds shall have been paid and discharged, and there shall have been paid all fees and charges of the Trustee due or to become due through the date on which the last of the Series 2013 Bonds is retired, then this Supplemental Indenture shall cease, terminate and become null and void, and thereupon the Trustee shall release this Supplemental Indenture including the cancellation and discharge of the lien hereof, and execute and deliver to the Authority such instruments in writing as shall be requisite to satisfy the lien hereof and, if necessary, to enter on the records such satisfaction and discharge and to re-convey to the Authority any property or interest therein or other rights hereby conveyed and such other instruments to evidence such release and discharge as may be reasonably required by the Authority, and the Trustee shall assign and deliver to the Authority any property at the time subject to the lien of this Supplemental Indenture which may then be in its possession, except amounts in any Fund otherwise required to be paid by this Supplemental Indenture and except such cash and investments as are held by the Trustee for the payment of interest and premium, if any, on and retirement of the Series 2013 Bonds.

(b) Notwithstanding the foregoing, the obligation of the Corporation to pay the fees and expenses of the Trustee in accordance with the terms of this Supplemental Indenture shall survive the defeasance of the Series 2013 Bonds, the discharge of this Supplemental Indenture and the termination of the Loan Agreement.

Section 12.2 Provision for Payment. Any Series 2013 Bonds shall be deemed to have been paid and discharged within the meaning of Section 12.1, if the Trustee, or an escrow trustee, shall hold, in trust for and irrevocably committed thereto, moneys or Defeasance Obligations of such maturities and interest payment dates and bearing such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (likewise to be held in trust and committed, except as hereinafter provided), be sufficient for the payment of such Series 2013 Bonds, at their maturity or redemption date, of the principal thereof, together with the redemption premium, if any, and interest accrued to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date then to the date of the tender of such payment; provided, that if any Series 2013 Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provisions satisfactory to the Trustee shall have been duly made for the giving of such notice. Any moneys held in accordance with the provisions of this Section shall be invested only in Defeasance Obligations the maturities or redemption dates and interest payment dates of which, at the option of the owner, shall coincide as nearly as practicable with, but not later than, the time or times at which said moneys will be required for the aforesaid purposes. Any income or interest earned by the Defeasance Obligations held under this Section shall, as determined by the Trustee or the escrow trustee, to the extent not required for the purposes of this Section, be paid to the Corporation for the Board as overpayment of Payments.

Section 12.3 Certifications. The Authority and the Corporation covenant and agree that they will furnish to the Trustee:

(a) Certificates or opinions made by officers of the Authority and the Corporation required by this Supplemental Indenture stating that provisions of this Article relating to the satisfaction and discharge of this Supplemental Indenture have been fulfilled; and

(b) An opinion of Bond Counsel to the effect that the payment of the Series 2013 Bonds has been provided for in the manner set forth in this Supplemental Indenture and the Loan Agreement and that all obligations of the Authority and the Corporation with respect to the Series 2013 Bonds have been discharged and satisfied; and

(c) In the case of an advance refunding, a mathematical verification prepared by a nationally recognized law firm or firm of independent certified public accountants (or other verification agent satisfactory to the Trustee) that the Defeasance Obligations are sufficient to pay the principal of, premium, if any, and interest on the Series 2013 Bonds which are defeased.

ARTICLE XIII
MISCELLANEOUS

Section 13.1 Covenants of Authority Binds its Successors. In the event of the dissolution of the Authority, all of the covenants, stipulations, obligations and agreements contained in this Supplemental Indenture by or on behalf of or for the benefit of the Authority shall bind or inure to the benefit of the successor or successors of the Authority from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Authority" as used in this Supplemental Indenture shall include such successor or successors.

Section 13.2 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Supplemental Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, the Corporation, the Board and any Bondholder and their agents and their representatives, any of whom may make copies thereof.

Section 13.3 Parties Interest Herein. Nothing in this Supplemental Indenture expressed or implied, is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Authority, the Trustee, the Corporation and the Bondholders, any right, remedy or claim or by reason of this Supplemental Indenture or any covenant, agreement, condition or stipulation therein.

Section 13.4 No Recourse on the Series 2013 Bonds. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Series 2013 Bonds or for any claim based thereunder or under this Supplemental Indenture against any trustee, director, officer, employee or agent of the Authority or of the Trustee.

Section 13.5 Severability. If any clause, provision or Section of this Supplemental Indenture be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Supplemental Indenture shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Supplemental Indenture be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Authority, the Corporation, or the Board, as the case may be, only to the extent permitted by law.

Section 13.6 Consents and Approvals. Whenever the written consent or approval of the Authority, the Trustee, the Corporation or the Board shall be required under the provisions of this Supplemental Indenture, such consent or approval shall not be unreasonably withheld or delayed.

Section 13.7 Notices. All notices, demands and requests to be given or made hereunder to or by the Authority, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

If to the Authority: Louisiana Local Government Environmental Facilities and
Community Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809
Attention: Executive Director

If to the Corporation: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: _____

If to the Trustee: The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

If to the Board: Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance
With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

If to the Series 2004
Bond Insurer MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

(b) Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The above addresses may be changed at any time upon written notice of such change sent by United States mail, postage prepaid, to the other parties by the party effecting the change.

Section 13.8 Notices to Bondholders. Any notices or other communications required or permitted to be given to the Bondholders pursuant to this Supplemental Indenture shall be mailed by first class mail in a sealed envelope, postage prepaid, addressed to each such Bondholder as his address last appears on the Bond Register. In case, by reason of the suspension of or irregularities in regular mail service, it shall be impractical

to mail notice to the Bondholders of any event when such notice is required to be given pursuant to any provision of this Supplemental Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of such notice. Any notice herein required may be omitted if the owners of all the Series 2013 Bonds entitled to such notice give to the Trustee a written waiver of such notice.

Section 13.9 Applicable Law. This Supplemental Indenture shall be governed exclusively by the applicable laws of the State.

Section 13.10 Captions. The table of contents, captions and headings of the several articles and sections of this Supplemental Indenture are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Supplemental Indenture.

Section 13.11 Supplemental Indenture to Constitute a Contract. This Supplemental Indenture, upon execution by the Authority and the Trustee shall constitute a third party beneficiary contract between the Authority and the Trustee for the benefit of the owners of all Series 2013 Bonds issued hereunder.

Section 13.12 Performance on Legal Holidays. In any case where the date of maturity of interest on or principal of the Series 2013 Bonds or the date fixed for redemption or purchase of any Series 2013 Bonds or the date fixed for the giving of notice or the taking of any action under this Supplemental Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the giving of such notice or the taking of such action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

B-24 Section 13.13 Continuing Disclosure Certificates. The Board and State have undertaken to comply with continuing disclosure requirements, and the Authority shall have no liability to the holders of the Series 2013 Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Supplemental Indenture, failure of the Board or the State to comply with the terms of its respective Continuing Disclosure Certificate shall not be considered an Event of Default hereunder; however, the Trustee may (and, at the request of the Underwriter (as defined in the Continuing Disclosure Certificate) or the holders of at least a majority in aggregate principal amount of Outstanding Series 2013 Bonds shall), upon being provided indemnity satisfactory to the Trustee, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Board and/or the State to comply with its respective obligations under this Section 13.13. The Trustee shall have no responsibility for the failure of the Board or the State to report any material event and shall have no responsibility as to any determination by the Board or the State of whether any event would constitute material information for holders of the Series 2013 Bonds; provided, however, that the Trustee hereby agrees to notify the Board in writing on or before November 1 of each year, commencing November 1, 2014, of the Board's obligation to comply with the requirements of Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12.

Section 13.14 Amendments to Original Indenture. Except as specifically stated in this Supplemental Indenture, the provisions hereof are supplemental to the Original Indenture and shall not be deemed to amend or replace any provisions of the Original Indenture.

The Original Indenture is hereby amended as follows:

- (a) The following is added as a new definition to Section 1.1:

"Refunding Bonds" shall mean Additional Bonds issued pursuant to Section 5.2 hereof.

- (b) The following is added as a new Section 13.14 of the Original Indenture:

Section 13.14 Bond Insurer Rights. All rights of the Series 2004 Bond Insurer under the Indenture shall terminate at such time as no Series 2004B Bonds remain outstanding and there are no outstanding obligations due to the Series 2004 Bond Insurer under the Reimbursement Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority has caused this Supplemental Indenture to be executed by its Executive Director and has caused the seal of the Authority to be affixed hereto and attested by its Assistant Secretary and the Trustee has caused this Supplemental Indenture to be executed in its behalf by a Trust Officer and its seal to be impressed hereon, all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: _____
Steve A. Dicharry, Executive Director

ATTEST:

[SEAL]

By: _____
Linda U. Martin, Assistant Secretary

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: _____
Watson T. Barger, Vice President

[SEAL]

EXHIBIT A

FORM OF SERIES 2013 BOND

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("*DTC*") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. RA- 1 \$ _____

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|---------------|------------|------------------------|-------|
| _____ % | _____ | _____ | _____ | _____ |

REGISTERED OWNER: CEDE & Co.
TAX ID#13-2555119

PRINCIPAL AMOUNT: _____

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Authority*"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "*State*"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of

said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this Series 2013 Bond are payable in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts. The principal of this Series 2013 Bond shall be payable to the registered owner hereof or his assigns upon surrender hereof at the Corporate Trust Office of The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Interest on this Series 2013 Bond, when due and payable, shall be paid by check or draft mailed by the Trustee on the interest payment date to the person in whose name this Series 2013 Bond is registered, at the address as it appears on the Bond Register maintained by the Trustee at the close of business on January 15 or July 15, as the case may be next preceding such interest payment date, or if such day shall not be a Business Day, the next preceding Business Day (the "Record Date") irrespective of any transfer or exchange of this Series 2013 Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall default in payment of interest due on such interest payment date, provided that an owner of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owner has requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of a default, such defaulted interest shall be payable on a payment date established by the Trustee to the person in whose name this Series 2013 Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owner of this Series 2013 Bond not fewer than fifteen (15) days preceding such special record date.

This Series 2013 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by a duly authorized representative of the Trustee.

This Series 2013 Bond is one of the duly authorized issue of the Authority's Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the "Series 2013 Bonds"), issued under and secured by the Indenture (hereinafter defined) pursuant to which the Authority is issuing \$_____ aggregate principal amount of said revenue bonds on behalf of University Facilities, Inc., a nonprofit corporation (the "Corporation") for the purpose of: (i) refunding the Series 2004A Bonds (as hereinafter defined) and (ii) paying the costs of issuance of the Series 2013 Bonds.

Pursuant to the Original Indenture (as hereinafter defined), the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds") for the purposes of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "Facilities") for Southeastern Louisiana University (the "University") located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "Board") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.

The proceeds of the Series 2013 Bonds have been loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Original Loan Agreement"), as supplemented and amended by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the "Supplemental Loan Agreement" and, together with the Original Loan Agreement, the "Loan Agreement"), each between the Authority and the Corporation, for the foregoing purposes. The Board of Supervisors for the University of Louisiana System (the "Board"), acting on behalf of the University, has leased the land upon which the Facilities are located on the campus of the University (the "Land") and the Facilities to the

Corporation pursuant to an Amended and Restated Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "Ground Lease"), and has leased the Facilities from the Corporation pursuant to an Amended and Restated Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "Facilities Lease").

The Series 2013 Bonds are issued pursuant to the laws of the State, particularly Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the "LCDA Act"), Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "Refunding Act" and, together with the LCDA Act, the "Act") and pursuant to a Trust Indenture dated August 1, 2004 (the "Original Indenture"), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the "Supplemental Indenture" and, together with the Original Indenture, the "Indenture"), each between the Authority and the Trustee, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, and to which Indenture reference is hereby made for a more complete description of the assigned revenues constituting the Trust Estate, the nature and extent of the security, the terms and conditions under which the Series 2013 Bonds are issued and secured, the terms and conditions under which Additional Bonds may be issued and secured, the rights, duties and immunities of the Trustee and the rights of the registered owners of the Series 2013 Bonds. The registered owner of this Series 2013 Bond shall have no rights to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture, and by acceptance of this Series 2013 Bond, the owner hereof assents to all of the provisions of the Indenture and the Assignment (hereinafter defined). All terms not defined herein shall have the meanings assigned thereto in the Indenture.

The Series 2013 Bonds have been issued on a parity with the Series 2004B Bonds under the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds without coupons, in Authorized Denominations, and shall be numbered from No. R-1 upwards. The Series 2013 Bonds are limited and special revenue obligations of the Authority and are payable solely from (i) payments received by the Authority from the Corporation pursuant to the Agreement (except however, the Authority's rights to exculpation, indemnification and payment of expenses by the Corporation under the Agreement) and (ii) all funds held by the Trustee under the Indenture and available for such payment, said payments and funds being herein referred to as the "Trust Estate." The Agreement, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, provides that the Corporation is unconditionally obligated to make payments, but solely from the Payments (as defined in the Agreement) in an aggregate amount sufficient for the payment in full of the principal and interest of all Series 2013 Bonds issued and outstanding under the Indenture, to the date of payment thereof, and certain costs, expenses and charges of the Authority and the Trustee. The Agreement imposes upon the Corporation certain obligations respecting the use and operation of its Facilities and the maintenance and repair of said Facilities.

THE SERIES 2013 BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE SERIES 2013 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THE INDENTURE. THE ISSUANCE OF THE SERIES 2013 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE

STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.

As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Bonds in Authorized Denominations.

For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

REDEMPTION PROVISIONS

Optional Redemption

The Series 2013 Bonds are subject to redemption prior to maturity at the option of the Authority, upon written direction from the Board, on or after August 1, 20__, as a whole or in part at any time, and in any order of maturity directed in writing by the University Representative, and at a price equal to the principal amount thereof so redeemed plus accrued and unpaid interest to the date of redemption, without premium

Mandatory Redemption

(i) If the Board shall purchase the Corporation's leasehold interest in the Facilities pursuant to the Facilities Lease, the Series 2013 Bonds shall be redeemed as a whole and shall be redeemed on the later of (a) August 1, 2014, or (b) the earliest practicable date, but not more than sixty (60) days, after such purchase, and in any event, at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2013 Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Series 2013 Bonds is not an Authorized Denomination, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subsection (b) shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order: first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, the Series 2013 Bonds.

Mandatory Sinking Fund Redemption

The Series 2013 Bonds maturing on August 1, 20__, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
|----------------------------|-----------------------------|

If on any occasion less than all of the Series 2013 Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in the Indenture, then the principal amount of the Series 2013 Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above tables. The principal amounts required by the tables above shall be adjusted downward in the amount of principal redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional redemption.

Unless otherwise specified above, if less than all of the Series 2013 Bonds shall be called for redemption, the maturity of the Series 2013 Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

At least thirty (30) days before the redemption date of any Series 2013 Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2013 Bonds then outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

Modifications or alterations of the Indenture or any agreement supplemental thereto or of the Agreement or any agreement supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement. So long as no event of nonperformance under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to and in

B-27

the execution and delivery of the Indenture and the issuance of this Series 2013 Bond, do exist, have happened and have been performed in regular and due form as required by law.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Louisiana Local Government Environmental Facilities and Community Development Authority has caused this Series 2013 Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal or a facsimile thereof to be hereto affixed or printed, and attested by the manual or facsimile signature of its Secretary-Treasurer on _____, 20__.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

[S E A L]

By _____
Executive Director

Attest:

Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This Series 2013 Bond is one of the Series 2013 Bonds described in the within mentioned Indenture.

Date of Authentication:

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

_____, 20__

By: _____
Authorized Trust Officer

B-28

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification
or Social Security Number of Assignee)

the within Series 2013 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the Series 2013 within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by: _____

NOTICE: Signature must be guaranteed by a
Participant in the Securities Transfer Agent
Medallion Program.

NOTICE: The signature to this assignment must
correspond with the name as it appears on the
face of the within Series 2013 Bond in every
particular, without alteration, enlargement or any
change whatever.

LEGAL OPINION CERTIFICATE

I, the undersigned Chairman of the Louisiana Local Government Environmental Facilities and
Community Development Authority, do hereby certify that attached hereto are true copies of the complete legal
opinion of Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, the originals of which were manually
executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue
described therein and were delivered to the original purchaser thereof. I further certify that executed copies of
the above-referenced legal opinions are on file in my office and that executed copies thereof have been
furnished to the Trustee for these Series 2013 Bonds.

By: _____
Executive Director

TRANSFER FEE MAY BE REQUIRED

B-29

FORM OF
FIRST SUPPLEMENTAL
LOAN AND ASSIGNMENT AGREEMENT

by and between

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

and

UNIVERSITY FACILITIES, INC.

Dated as of November 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

TABLE OF CONTENTS

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION 3

Section 1.1 Definitions 3

Section 1.2 Rules of Construction 9

ARTICLE II REPRESENTATIONS 10

Section 2.1 Representations by the Authority 10

Section 2.2 Representations of the Corporation 10

Section 2.3 Environmental Representations 11

ARTICLE III TERM, NATURE AND BENEFITS OF SUPPLEMENTAL LOAN AGREEMENT;
CONSTRUCTION OF FACILITIES 12

Section 3.1 Term 12

Section 3.2 Nature and Benefits 12

Section 3.3 Revision of Facilities Documents 13

Section 3.4 No Warranty of Condition or Suitability 13

ARTICLE IV DISBURSEMENT OF SERIES 2013 BOND PROCEEDS; PAYMENTS; CREDITS;
OBLIGATIONS UNCONDITIONAL; PREPAYMENT 13

Section 4.1 Disbursement of Series 2013 Bond Proceeds 13

Section 4.2 Amounts Payable 13

Section 4.3 Credits Against Payments 15

Section 4.4 Obligation to Make Payments 15

Section 4.5 Prepayment of Payments 16

ARTICLE V NON-ARBITRAGE 16

Section 5.1 Covenants as to Arbitrage 16

ARTICLE VI CERTAIN COVENANTS OF THE CORPORATION 17

Section 6.1 General Covenants of Corporation 17

Section 6.2 Covenants Regarding Operation and Maintenance by the Corporation of its Properties 18

Section 6.3 Covenant as to Encumbrances 19

Section 6.4 Covenants, Representations and Warranties Relating to Federal Income Taxation 20

Section 6.5 Information 21

Section 6.6 Source of Payments 21

Section 6.7 Insurance 21

Section 6.8 Annual Reports 21

Section 6.9 Merger or Consolidation 22

Section 6.10 Revenue Transfer to Trustee 22

Section 6.11 Disposition of Assets 23

Section 6.12 Additional Corporation Representations 23

Section 6.13 Continuing Disclosure 23

ARTICLE VII ASSIGNMENT 23

Section 7.1 Assignment of this Supplemental Loan Agreement 23

Section 7.2 Restrictions on Transfer of Authority's Rights 23

Section 7.3 Assignment by the Authority 24

ARTICLE VIII SUPPLEMENTS AND AMENDMENTS 24

Section 8.1 Amendment to Loan Agreement Without Consent 24

Section 8.2 Amendment to Loan Agreement Upon Approval of a Majority of Bondholders 24

Section 8.3 Amendments to Facilities Lease or the Ground Lease Not Requiring Owner Consent 25

Section 8.4 Amendments to the Facilities Lease or the Ground Lease Requiring Owner Consent 25

Section 8.5 Consent Required Under Certain Circumstances for Amendment of Facilities Lease or
Ground Lease 26

Section 8.6 Opinion Required for Amendment of Facilities Lease or Ground Lease 26

Section 8.7 Consent of the Board 26

Section 8.8 Filing 26

Section 8.9 Reliance on Counsel 26

Section 8.10 Notice to Rating Agencies 26

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES 27

Section 9.1 Events of Default Defined 27

Section 9.2 Remedies 27

Section 9.3 No Remedy Exclusive; Selective Enforcement 28

Section 9.4 Indenture Overriding 28

Section 9.5 Loan Agreement to Pay Attorneys' Fees and Expenses 28

Section 9.6 Authority and Corporation to Give Notice of Default 28

Section 9.7 Correlative Waivers 28

ARTICLE X MISCELLANEOUS 28

Section 10.1 References to the Series 2013 Bonds Ineffective After Series 2013 Bonds Paid 28

Section 10.2 Amounts Remaining in Funds 28

Section 10.3 Notices 29

Section 10.4 Binding Effect 29

Section 10.5 Performance on Legal Holidays 29

Section 10.6 Execution in Counterparts 30

Section 10.7 Applicable Law 30

Section 10.8 Severability 30

Section 10.9 Captions 30

Section 10.10 Consents and Approvals 30

Section 10.11 Third Party Beneficiaries 30

Section 10.12 Exculpatory Provision 30

Section 10.13 Accounts and Audits 31

Section 10.14 Date of Supplemental Loan Agreement 31

Section 10.15 Reliance 31

Section 10.16 Authority Not Liable 32

Section 10.17 No Violations of Law 32

EXHIBIT A – DESCRIPTION OF FACILITIES

EXHIBIT B – PERMITTED ENCUMBRANCES

B-31

FIRST SUPPLEMENTAL LOAN AND ASSIGNMENT AGREEMENT

This FIRST SUPPLEMENTAL LOAN AND ASSIGNMENT AGREEMENT dated as of November 1, 2013 (the "*Supplemental Loan Agreement*") is between LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (the "*Authority*"), and UNIVERSITY FACILITIES, INC., a non-profit corporation incorporated and existing under the laws of the State of Louisiana (the "*Corporation*") and supplements and amends that certain Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation (the "*Original Loan Agreement*") and, together with the Supplemental Loan Agreement, the "*Loan Agreement*").

WITNESSETH:

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Authority*"), is a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended, La. R.S. 33:4548.1 to 4548.6, inclusive) (the "*LCDA Act*"), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the "*Refunding Act*" and, together with the LCDA Act, the "*Act*"), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, pursuant to the Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee (the "*Original Indenture*") and in accordance with the provisions of the Act, the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and, together with the Series 2004A Bonds, the "*Series 2004 Bonds*") on behalf of University Facilities Inc., a Louisiana non-profit corporation (the "*Corporation*"), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "*Facilities*") for Southeastern Louisiana University (the "*University*") located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "*Board*") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University;

WHEREAS, pursuant to Section 5.2 of the Original Indenture, the Authority may issue Refunding Bonds, the proceeds of which may be used to refund all or a portion of the Series 2004 Bonds;

WHEREAS, pursuant to a First Supplemental Trust Indenture dated of even date herewith (the "*Supplemental Indenture*") and, together with the Original Indenture, the "*Indenture*"), the Authority is issuing its \$_____ Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the "*Series 2013 Bonds*"), the proceeds of the sale of which shall loaned to the Corporation, pursuant to this Supplemental Loan Agreement for the purpose of (i) refunding the Refunded Bonds (as hereinafter defined); and (ii) paying the costs of issuance of the Series 2013 Bonds;

WHEREAS, the Corporation and the Authority are empowered to consummate the transactions contemplated hereunder and to do all acts and exercise all powers and assume all obligations necessary or incident thereto;

WHEREAS, in consideration of the issuance of the Series 2013 Bonds by the Authority, the Corporation will: (i) assign its rights under that certain Amended and Restated Agreement to Lease with Option to Purchase dated as of November 1, 2013 between the Corporation and the Board (the "*Facilities Lease*"), pursuant to which the Corporation leases the Facilities on the Property that the Corporation leases from the Board pursuant to that certain Amended and Restated Ground and Buildings Lease Agreement dated as of November 1, 2013 between the Board and the Corporation (the "*Ground Lease*"), which assignment includes the Corporation's right to all Base Rental (as defined in the Facilities Lease) received thereunder, to the Authority, and (ii) agree to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, pursuant to the requirements of the Original Indenture, the Series 2013 Bonds shall be on a parity with the Series 2004B Bonds (as hereinafter defined) and any Additional Bonds, and accordingly, the Corporation and the Authority have this date supplemented the Facilities Lease such that the Corporation's assigned rights under the Facilities Lease include payment of all Base Rental sufficient to pay debt service on the Bonds (as hereinafter defined), and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, Sections 8.1, 8.3 and 8.7 of the Original Loan Agreement permit the Corporation and the Authority, with the written consent of the Series 2004 Bond Insurer (as hereinafter defined), the Board and the Trustee to supplement the Original Loan Agreement to conform to the Supplemental Indenture for the Additional Bonds;

WHEREAS, the Authority has adopted a resolution authorizing the sale and the issuance of the Series 2013 Bonds, the execution and delivery of instruments pertaining to the issuance thereof and other actions to be taken by the Authority in connection with the authorization, issuance, sale and delivery of the Series 2013 Bonds and the application of the proceeds thereof;

WHEREAS, all acts, conditions and things required by the laws of the State of Louisiana (the "*State*") to happen, exist and be performed precedent to and in the execution and delivery of this Supplemental Loan Agreement have happened, exist and have been performed as so required in order to make this Supplemental Loan Agreement a valid and binding agreement in accordance with its terms;

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Supplemental Loan Agreement and the parties are now prepared to execute and deliver this Supplemental Loan Agreement; and

WHEREAS, in consideration of the respective representations and agreements contained herein, the parties hereto, recognizing that under the Act this Supplemental Loan Agreement shall not in any way obligate the State or any public corporation thereof, including, without limitation, the Authority, to raise any money by taxation or use other public moneys for any purpose in relation to the Series 2013 Bonds and that neither the State nor the Authority, shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Series 2013 Bonds except from moneys received or to be received under the provisions of this Supplemental Loan Agreement and the Indenture or derived from the exercise of the rights of the Authority thereunder, agree as follows:

B-32

NOW, THEREFORE, THIS SUPPLEMENTAL LOAN AGREEMENT WITNESSETH:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. All capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the preamble hereto or in the Original Indenture or the Supplemental Indenture. In addition to words and terms elsewhere defined in this Supplemental Loan Agreement, the following words and terms as used in this Supplemental Loan Agreement shall have the following meanings, unless some other meaning is plainly intended:

“*Act*” means, collectively, the LCDA Act and the Refunding Act.

“*Additional Bonds*” shall mean bonds issued on a parity with the Series 2004B Bonds and the Series 2013 Bonds in one or more series pursuant to Section 26 of the Facilities Lease and Article V of the Indenture.

“*Authority*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Authority by said provisions shall be given by law.

“*Authorized Authority Representative*” means the person(s) at the time designated to act under this Supplemental Loan Agreement and the Indenture on behalf of the Authority by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Authority by the Chairman, Vice Chairman, Executive Director or Assistant Secretary of the Authority. Such certificate may designate an alternate or alternates.

“*Authorized Corporation Representative*” means the President or Secretary/Treasurer of the Corporation.

“*Base Rental*” shall mean the amounts referred to as such in Section 6(b) of the Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms thereof) and paid to the Corporation, but does not include Additional Rental.

“*Board*” means the Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University, and on its own behalf.

“*Board Documents*” means the Ground Lease and the Facilities Lease, as they may be amended or supplemented from time to time.

“*Bond Counsel*” means Jones Walker LLP or such other nationally recognized bond counsel as may be selected by the Authority and acceptable to the Corporation.

“*Bond Documents*” means the Indenture, the Loan Agreement, the Facilities Lease, the Ground Lease and the Mortgage, as each may be amended or supplemented from time to time.

“*Bonds*” means the Series 2004B Bonds, the Series 2013 Bonds and any Additional Bonds.

“*Bondholder*” or “*owner*”, when used with reference to a Series 2013 Bond or Bonds, means the registered owner of any Outstanding Series 2013 Bonds.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*Closing Date*” means the date on which the Series 2013 Bonds are delivered and payment therefor is received by the Authority.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“*Contaminant*” shall mean any waste, pollutant or hazardous substance, as those terms are defined in CERCLA, regulations promulgated thereunder and any applicable state statutes, and any toxic substance, solid or hazardous waste as defined in RCRA and any applicable state statutes, special waste, petroleum or petroleum-derived substance, radioactive material or waste, polychlorinated biphenyls (PCBs), asbestos, or any continuant of any such substances or wastes.

“*Continuing Disclosure Certificate*” means, with respect to the Board, the Continuing Disclosure Certificate dated as of the Closing Date, by the Board, as the same may be amended or supplemented from time to time in accordance with its terms.

“*Corporation*” means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Defeasance Obligations*” means noncallable direct obligations of the United States of America (including direct obligations of the United States of America that have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

“*Environmental Lien*” shall mean a lien in favor of any Governmental Corporation for (i) any liability under federal or state environmental laws or regulations or (ii) damages arising from, or costs incurred by such Governmental Corporation in response to, a Release or threatened Release of a Contaminant into the environment.

“*Environmental Regulation*” shall mean any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, contaminants, chemical waste, materials or substances.

“*Facilities*” means the Facilities described in Exhibit A to this Supplemental Loan Agreement that were designed, constructed, renovated and equipped with the proceeds of the Series 2004 Bonds, including all furniture, fixtures, equipment and furnishings incidental or necessary in connection therewith, on the campus of the University.

“*Facilities Documents*” means collectively the Loan Agreement, the Ground Lease, the Facilities Lease, other contract documents and agreements, and surety bonds and instruments pertaining to the Facilities.

D-33

"*Facilities Lease*" means Amended and Restated Agreement to Lease with Option to Purchase dated as of November 1, 2013 by and between the Board, as Lessee, and the Corporation, as Lessor, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University, including any additional supplements and amendments thereto and thereof.

"*Fiscal Year*" means any period of twelve consecutive months adopted by the Corporation as its Fiscal Year for financial reporting purposes, currently the period beginning on January 1 and ending on December 31 of each year.

"*Governmental Corporation*" shall mean any nation or government, any federal, state, local or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"*Ground Lease*" means the Amended and Restated Ground and Buildings Lease Agreement dated as of November 1, 2013, by and between the Board, as Lessor on behalf of the University, and the Corporation, as Lessee, whereby the Property is leased by the Board to the Corporation, and any amendment or supplemental thereto entered into from time to time in accordance with the terms thereof.

"*Hazardous Substances*" shall mean dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances as defined in Environmental Regulations, and also any urea formaldehyde, polychlorinated biphenyls, asbestos, asbestos-containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject the owner or mortgagee or any Holder to any damages, penalties or liabilities under any applicable Environmental Regulation.

"*Indenture*" means the Original Indenture, as supplemented and amended by the Supplemental Indenture, as it may be further amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

"*Interest Account*" means the Interest Account within the Series 2013 Debt Service Fund created pursuant to Article IV of the Supplemental Indenture.

"*Interest Payment Date*" or "*interest payment date*", when used with respect to the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014.

"*LCDA Act*" means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 to 4548.16, inclusive) and all future acts supplemental thereto and amendatory thereof.

"*Liabilities and Costs*" shall mean all liabilities, obligations, responsibilities, losses, damages, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation and feasibility studies), fines, penalties, monetary sanctions and interest.

"*Loan*" means the aggregate amount of the moneys loaned to the Corporation pursuant to the Loan Agreement.

"*Loan Agreement*" means the Original Loan Agreement as supplemented by this Supplemental Loan Agreement, as the same may be further supplemented or amended.

"*Mortgage*" means the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee.

"*Officer's Certificate*" means a certificate signed by an Authorized Corporation Representative.

"*Operation and Maintenance Expenses*" means the expenses determined in accordance with generally accepted accounting principles of operating and maintaining the Project.

"*Original Indenture*" means the Trust Indenture dated as of August 1, 2004, between the Authority and the Trustee, pursuant to which the Series 2004 Bonds were issued.

"*Original Loan Agreement*" means the Loan and Assignment Agreement dated as of August 1, 2004 between the Corporation and the Authority.

"*Outstanding*" or "*outstanding*", when used with reference to the Bonds, means all such bonds that have been authenticated and issued under the Indenture except those:

- (a) canceled by the Trustee pursuant to the Indenture;
- (b) for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of the Indenture;
- (c) that have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in the Indenture;
- (d) in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in the Indenture; and
- (e) for all purposes regarding consents and approvals or directions of Bondholders under the Loan Agreement or the Indenture, held by or for the Authority, the Corporation or any person controlling, controlled by or under common control with either of them.

"*Payments*" means the amounts of repayments under this Supplemental Loan Agreement with respect to the Series 2013 Bonds to be made by the Corporation as provided in Article IV of this Supplemental Loan Agreement.

"*Permitted Encumbrances*" means:

- (a) any lien arising by reason of any good faith deposit with the Corporation in connection with any lease of real estate, bid or contract (other than any contract for the payment of money);
- (b) any lien arising by reason of any deposit with or giving of security to any Governmental Corporation agency as a condition to the transaction of any business or the participation by the Corporation in any funds established to cover insurance risk or in connection with worker's compensation, unemployment insurance, pension plans or other social security;
- (c) any right reserved to any municipality or other public authority by the terms of any franchise, grant, license or provision of law affecting any property of the Corporation and any lien on any property of the Corporation for taxes, assessments or other municipal charges so long as such charges

B-34

are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(d) mechanics' and materialmen's liens in connection with any property of the Corporation so long as any amounts secured by such lien are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(e) the Supplemental Indenture, this Supplemental Loan Agreement, the Ground Lease, the Facilities Lease or the Mortgage;

(f) any lien on property received by the Corporation through a gift, grant or bequest constituting a restriction imposed by the donor, grantor or testator on such gift, grant or bequest (or the income therefrom), provided that any such lien may not be extended, renewed or modified in any way or applied to any additional property of the Corporation unless it would otherwise qualify as a Permitted Encumbrance;

(g) any security interest in personal property securing all or a portion of the purchase price thereof (provided that this Permitted Encumbrance shall not be construed to permit the incurrence of indebtedness secured by such a security interest, it being understood that any such indebtedness may be incurred only to the extent expressly permitted by the other applicable provisions of the Indenture or this Supplemental Loan Agreement);

(h) such easements, rights-of-way, servitudes, restrictions and other defects, liens and encumbrances as are determined not to materially impair the use of the Corporation's facilities for their intended purposes or the value of such facilities, such determination to be made in a certificate of an authorized officer of the Corporation supported by an opinion of independent counsel or a report or opinion of an independent management consultant;

(i) liens incurred or assumed primarily for the acquisition or use of personal property and equipment (including equipment that is not treated as personal property under applicable state law) under the terms of installment purchase contracts, loans secured by purchase money mortgages or security interests in the financed property, lease purchase agreements or capital leases of the financed property; and

(j) any assignment, pledge, transfer, mortgage, lien, hypothecation, financing, lease or security interest in the initial furnishings, equipment and related items under the Facilities Lease as may be required to permit the financing of such furnishings, equipment and related items.

In addition, encumbrances in existence as of the date of issuance of the Series 2013 Bonds as set forth in Exhibit B hereof are hereby qualified as Permitted Encumbrances. Any such existing encumbrance may not be extended, renewed or modified in any way or applied to any additional Properties of the Corporation unless it would otherwise qualify as a Permitted Encumbrance.

"Principal Account" means the Principal Account within the Series 2013 Debt Service Fund created pursuant to Section 4.1 of the Supplemental Indenture.

"Properties" shall mean any and all rights, title and interests in and to any and all of the Corporation's property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or hereafter acquired, including its rights and interest in the Property. The term "Properties," without intending to limit the generality of the foregoing, as of any particular

time, shall include all buildings, structures, fixtures, furnishings, equipment and other property, movable and immovable, and all franchises, land, rights-of-way, privileges, servitudes, easements, licenses, rights and any other interests in immovable property owned, leased, subleased or otherwise acquired by the Corporation and used or useful in connection with or incident to such facilities, or used or useful by the Corporation in connection with or incident to its authorized purposes.

"Property" means the immovable property more particularly described in Exhibit A attached to the Ground Lease and all improvements now or thereafter located thereon, including the Facilities, together with all other rights and interest leased pursuant to Section 1.1 thereof.

"Refunded Bonds" means the Series 2004A Bonds.

"Refunding Act" means Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456).

"Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing or dispersing into the indoor or outdoor environment or into or out of the Properties, including, but not limited to, the movement of Contaminants through or in the air, soil, surface water, groundwater or the Properties and the abandonment or discard or barrels, containers, and other open or closes receptacles containing any Contaminant.

"Remedial Action" shall mean actions related to (i) cleaning up, removing, treating or in any other way addressing Contaminants in the indoor or outdoor environment; (ii) preventing or minimizing the Release or threat of Release of Contaminants so that Contaminants do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; and (iii) collecting environmental data or performing pre-remedial studies and investigations and performing operations and maintenance and post-remedial monitoring and care.

"Requirement of Law" shall mean any federal, state or local statute, ordinance, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, any common law doctrine or theory, and any provision or condition of any Permit or other binding determination of any Governmental Corporation.

"Revenues" means the Base Rental.

"Series 2004 Bond Insurer" means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

"Series 2004 Bonds" means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

"Series 2004 Debt Service Reserve Fund" shall mean the Debt Service Reserve Fund held by the Trustee pursuant to the Original Indenture.

"Series 2004A Bonds" means the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A.

"Series 2004B Bonds" means the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B.

"Series 2013 Bond Proceeds Fund" means the fund of that name created under Section 4.1 of this Supplemental Indenture.

"Series 2013 Bonds" means the \$_____ Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013, and such bonds issued in exchange for those issued pursuant to the Supplemental Indenture, or in replacement for those issued pursuant to the Supplemental Indenture, which bonds have been mutilated, destroyed, lost or stolen.

"Series 2013 Debt Service Fund" means the fund of that name created under Section 4.1 of the Supplemental Indenture.

"Short Term Debt" means indebtedness with a term of one year or less, but not including accounts payable by the Corporation in the ordinary course of its operations.

"State" means the State of Louisiana.

"Supplemental Indenture" means the First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

"Supplemental Loan Agreement" this First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

"Tax Regulatory Agreement" means the Tax Regulatory Agreement and Arbitrage Certificate dated as of the Closing Date by and among the Authority, the Corporation, the Board and the Trustee.

"Trust Estate" means all the property assigned by the Authority to the Trustee pursuant to the Indenture as security for the Bonds.

"Trustee" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under the Supplemental Indenture that may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture, initially, The Bank of New York Mellon Trust Company, N.A.

Section 1.2 Rules of Construction.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, the word "person" shall include the plural as well as the singular number, and "person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

(c) Provisions calling for the redemption of Series 2013 Bonds or the calling of Series 2013 Bonds for redemption do not mean or include the payment of Series 2013 Bonds at their stated maturity or maturities.

(d) All references in this Supplemental Loan Agreement to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this Supplemental Loan Agreement. The words "herein", "hereof", "hereunder" and other words of similar import refer to this Supplemental Loan Agreement as a whole and not to any particular Article, Section or other subdivision.

ARTICLE II
REPRESENTATIONS

Section 2.1 Representations by the Authority. The Authority represents and warrants as follows:

(a) The Authority is a political subdivision of the State.

(b) Under the provisions of the Act, the Authority is duly authorized to enter into, execute and deliver the Bond Documents, to undertake the transactions contemplated by the Bond Documents and to carry out its obligations hereunder and the Authority has duly authorized the execution and delivery of the Bond Documents and the Series 2013 Bonds.

(c) The Authority agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

Section 2.2 Representations of the Corporation. The Corporation makes the following representations and warranties:

(a) The Corporation is a non-profit corporation duly organized and existing in good standing under the laws of the State for the benefit of the University, is duly qualified to do business and is duly authorized and licensed to operate all of the Properties, has power to execute and deliver the Board Documents, this Supplemental Loan Agreement and the Tax Regulatory Agreement and by proper action has been duly authorized to execute and deliver the Board Documents, this Supplemental Loan Agreement and the Tax Regulatory Agreement.

(b) Each of the statements made with respect to the Corporation in the recitals of this Supplemental Loan Agreement is true, correct and complete.

(c) The Corporation is not in breach of or in default under any of the provisions of: (A) the Articles of Incorporation of the Corporation, as amended, or By-laws, as amended; (B) any judgment, decree, order, statute, rule or regulation applicable to it or to its Properties; or (C) any material provision of any material indenture, mortgage, loan agreement, financing agreement or other contract or instrument to which it is a party or by which it or any of its Properties are bound.

(d) The Corporation is not required in connection with the transactions contemplated by the Board Documents and this Supplemental Loan Agreement to obtain any consent not already obtained.

(e) The Corporation has or timely will obtain as required all authority, permits, licenses, consents and authorizations as are necessary to own, lease and operate its Properties and to carry on its business and to carry out and consummate all the transactions contemplated by the Board Documents and this Supplemental Loan Agreement.

B-36

(f) This Supplemental Loan Agreement, the Ground Lease, the Facilities Lease, and the Mortgage are legal, valid and binding obligations of the Corporation and enforceable against the Corporation in accordance with their terms, and the authorization, execution and delivery hereof and thereof and compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under: (i) any provision of any indenture, mortgage, deed of trust, loan agreement or other contract or instrument to which the Corporation is a party or by which it or any of its Properties are bound; (ii) any order, injunction or decree of any court or governmental authority; or (iii) the provisions of its charter, as amended, or by-laws, as amended.

(g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the validity or enforceability of the Board Documents or this Supplemental Loan Agreement or any other agreement or instrument to which the Corporation is a party used in consummation of the transactions contemplated hereunder.

Section 2.3 Environmental Representations.

(a) The Corporation has taken all steps necessary to determine and has determined that no Contaminants have been disposed of on the Property in any material manner and that there has been no Release of any Contaminant on, from, under or to the Property other than in compliance with applicable law.

(b) The operations or other activities of the Corporation will not result in the disposal or other Release of any Contaminant on or from the Facilities other than in all cases in compliance with applicable law.

(c) The Corporation has not received any notice or claim or information to the effect that it is or may be liable to any Person as a result of the Release or threatened Release of a Contaminant into the environment in violation of applicable law.

(d) No Environmental Lien has attached to the Property.

(e) The operations or other activities of the Corporation shall not result in the disposal or other Release of any Contaminant on or from the Facilities other than in compliance with all current and future applicable environmental laws and the Corporation shall not engage in any activities that will result in the violation of any current or future environmental laws. The Corporation shall obtain from time to time all permits required under any current or future environmental laws so that the operations of the Corporation will be in accordance with such laws.

(f) The Corporation will make available for inspection from time to time all documents and information in its possession and control regarding activities and conditions relating to the Facilities and other assets which may result in noncompliance with, or liability under, any Requirement of Law.

(g) The Corporation shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Facilities other than in accordance with all applicable Environmental Regulations, shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom other than in accordance with all applicable Environmental

Regulations, shall not install or permit to be installed any underground storage tank therein or thereunder other than in accordance with all applicable Environmental Regulations, and shall comply with all Environmental Regulations which are applicable to the Facilities. The Corporation shall indemnify the Trustee and the Authority and shall hold the Trustee and the Authority harmless from, and shall reimburse the Trustee and the Authority for, any and all claims, demands, judgments, penalties, liabilities, costs, damages and expenses, including court costs and attorneys' fees directly or indirectly incurred by the Trustee or the Authority and the payee and holder of any Series 2013 Bond (prior to trial, at trial and on appeal) in any action against or involving the Trustee or the Authority, resulting from any breach of the foregoing covenants, or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from, the Facilities, whether or not the Corporation is responsible therefor, it being the intent of the Corporation that the Trustee and the Authority shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or other with respect to, Hazardous Substances by virtue of their interests, if any, in the Facilities created by the Indenture, and this Supplemental Loan Agreement or otherwise, or hereafter created, or as the result of the Trustee or the Authority or exercising any instrument, including but not limited to becoming the owner thereof by foreclosure or conveyance in lieu of foreclosure. The foregoing representations, warranties and covenants shall be deemed continuing covenants, representations and warranties for the benefit of the Trustee and the Authority and any successors and assigns thereof, including but not limited to any transferee of the title of the Trustee and any subsequent owner of the Facilities, and shall survive the satisfaction and release of the Indenture, and this Supplemental Loan Agreement, or under any other instrument, and/or any acquisition of title to the Facilities or any part thereof by the Trustee or the Authority by deed in lieu of foreclosure or otherwise. Any amount covered by the foregoing indemnification shall bear interest from the date incurred at a rate of 1.0% above the highest rate of interest borne by any Series 2013 Bond during the 365 days prior to the date on which such indemnification obligation was incurred, or, if less, the maximum rate permitted by law, and shall be payable on demand.

ARTICLE III TERM, NATURE AND BENEFITS OF SUPPLEMENTAL LOAN AGREEMENT; CONSTRUCTION OF FACILITIES

Section 3.1 Term. The term of this Supplemental Loan Agreement shall commence on the Closing Date for the Series 2013 Bonds, and shall terminate (unless discharged upon prepayment of all sums due hereunder by the Corporation prior thereto as hereinafter provided) on the date on which the Series 2013 Bonds and all other sums secured hereunder shall have been paid or provision for their payment shall have been made in accordance herewith. Notwithstanding the foregoing, the indemnification provisions of this Supplemental Loan Agreement shall survive the termination thereof and the defeasance of the Series 2013 Bonds under the Supplemental Indenture.

Section 3.2 Nature and Benefits.

(a) This Supplemental Loan Agreement has been executed and delivered in part to induce concurrently herewith the purchase by others of the Series 2013 Bonds, and, accordingly, all covenants and agreements on the part of the Corporation and the Authority, as set forth therein and herein, are hereby declared to be for the benefit of the Trustee for the owners from time to time of the Series 2013 Bonds. The Corporation consents and agrees to the assignment by the Authority to the Trustee under the Indenture of all of the Authority's right, title and interest (except for certain rights relating to exculpation, indemnification and payment of expenses) in, to and under this Supplemental Loan Agreement, including the interest of the Authority in and to the Facilities Lease assigned by the Corporation to the Authority hereunder, and agrees that the provisions hereof may be enforced by the Trustee under the provisions of

the Supplemental Indenture. The Corporation agrees to do all things within its power in order to comply with, and to enable the Authority to comply with, all requirements and to fulfill, and to enable the Authority to fulfill, all covenants of the Supplemental Indenture and the Series 2013 Bonds.

(b) This Supplemental Loan Agreement is a limited obligation of the Corporation, payable solely from the Revenues, and this Supplemental Loan Agreement shall remain in full force and effect until the Series 2013 Bonds and the interest therein have been fully paid or otherwise provided for or discharged.

Section 3.3 Revision of Facilities Documents.

(a) The Corporation may revise the Ground Lease, the Facilities Lease and the Mortgage (collectively, the "Facilities Documents") and the description of the Facilities in Exhibit A hereto from time to time (including, without limitation, the deletion or revision of any of the facilities included in the Facilities and/or the substitution thereof of other facilities) in accordance with the Ground Lease without the consent of the Authority, the Trustee or the holders of the Bonds but, with the consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding); provided, however, that no such revision shall impair the exclusion from gross income of interest on the Bonds for Federal income tax purposes. In the case of any change that would render materially inaccurate the description of the Facilities in Exhibit A hereto, there shall be delivered to the Trustee and the Authority a revised Exhibit A containing a description of the Facilities that reflects the change in the Facilities Documents, the accuracy of which shall have been certified by an Authorized Corporation Representative.

(b) Prior to effecting any change in or revision of the Facilities Documents, the Corporation shall deliver to the Authority evidence of all governmental or regulatory approvals required therefor.

Section 3.4 No Warranty of Condition or Suitability. The Corporation acknowledges its full familiarity with the Facilities and that the Authority has no responsibility for the Facilities Documents. The Authority makes no representation or warranty, either express or implied, and offers no assurance that the proceeds of the Bonds will be sufficient to pay in full the Costs of the Facilities in accordance with the Facilities Documents.

ARTICLE IV
DISBURSEMENT OF SERIES 2013 BOND PROCEEDS; PAYMENTS;
CREDITS; OBLIGATIONS UNCONDITIONAL; PREPAYMENT

Section 4.1 Disbursement of Series 2013 Bond Proceeds. In order to provide funds to refund the Refunded Bonds, the Authority, as soon as practicable after the execution of this Supplemental Loan Agreement will proceed to issue, sell and deliver the Series 2013 Bonds to the purchasers thereof and will deposit the proceeds thereof as provided by Section 4.2 of the Supplemental Indenture with the Trustee for disbursement in accordance with the provisions of the Supplemental Indenture.

Section 4.2 Amounts Payable.

(a) Upon the terms and conditions of this Supplemental Loan Agreement, the Authority shall lend to the Corporation the proceeds of the sale of the Series 2013 Bonds. The proceeds of the Loan shall be deposited with the Trustee and applied in accordance with the Supplemental Indenture.

(b) The Corporation, for and in consideration of the issuance of the Series 2013 Bonds under the Supplemental Indenture by the Authority and the application of the proceeds thereof by the Authority as provided in the Supplemental Indenture for the benefit of the Corporation, hereby promises to repay the Loan, but solely from the Base Rental, by making the following payments (collectively called the "Payments") to or for the account of the Authority in an amount sufficient for the payment in full of all Series 2004B Bonds and Series 2013 Bonds from time to time issued under the Indenture and then outstanding, including (i) the total interest becoming due and payable on the Series 2004B Bonds and the Series 2013 Bonds to the date of payment thereof, and (ii) the total principal amount of and premium, if any, on the Series 2004B Bonds and the Series 2013 Bonds. The Payments with respect to the Series 2013 Bonds shall be payable directly to the Trustee for the account of the Authority in installments as follows:

(i) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2013 Bonds on February 1, 2014, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2013 Debt Service Fund will be sufficient to pay interest on such Series 2013 Bonds on such Interest Payment Date and thereafter, on the 25th day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest amount of the Series 2013 Bonds payable on the next Interest Payment Date;

(ii) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-ninth (1/9th) of the principal of the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the 25th day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal amount of the Series 2013 Bonds payable on the next Principal Payment Date; and

(iii) On the dates required in the Indenture, into any of the funds established in the Indenture, including, without limitation, the Series 2013 Debt Service Reserve Fund and the Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture.

(c) Each installment of the Payments payable by the Corporation hereunder shall be in an amount which, without regard to the payments required under Section 4.02(b)(iii) above, but including moneys in the Series 2013 Debt Service Fund then available, shall be designed to provide for the timely payment in full of the principal of, premium, if any, and interest on the Series 2013 Bonds.

(d) Notwithstanding anything to the contrary contained herein, the Corporation promises that it will pay the Payments from the Base Rental, at such times and in such amounts as to assure that no default in the payment of the principal of, premium, if any, or interest on the Series 2013 Bonds shall at any time occur.

(e) Whenever the Corporation shall fail to pay the full amount of any installment of Payments payable under Sections 4.2(b)(i) through 4.2(b)(iii) above by the day of the month in which such installment is due, the Trustee shall give immediate telephonic notice thereof, promptly confirmed in writing, to an Authorized Corporation Representative.

(f) The Corporation shall also cause the Board to promptly pay when due under the Facilities Lease all amounts of Additional Rental owed by the Board thereunder, including, but not limited to, all Default or Delay Rentals and Administrative Expenses (each as defined in the Facilities Lease)

owed to the Corporation, the Issuer and/or the Trustee thereunder. Each installment of the Payments payable by the Corporation hereunder shall be in an amount which, without regard to the payments required under Section 4.2 (b)(iv) above, but including moneys in the Series 2013 Debt Service Fund then available, shall be designed to provide for the timely payment in full of the principal of, premium, if any, and interest on the Series 2013 Bonds.

Section 4.3 Credits Against Payments. A credit against and reduction of the Payments shall be derived only from the following sources:

- (a) Accrued interest, if any, derived from the sale of the Series 2013 Bonds;
- (b) Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement; and
- (c) Surplus moneys (including investment earnings) contained in the Funds and Accounts held by the Trustee under the Supplemental Indenture, including the Series 2013 Debt Service Fund.

Section 4.4 Obligation to Make Payments. The obligation of the Corporation to repay the Loan by making the Payments from the Base Rental shall be absolute and unconditional and shall not be subject to, nor shall the Corporation be entitled to assert, any rights of abatement, deduction, reduction, deferment, recoupment, setoff, offset or counterclaim by the Corporation or any other person, nor shall the same be abated, abrogated, waived, diminished, postponed, delayed or otherwise modified under or by reason of any circumstance or occurrence that may arise or take place, irrespective of what statutory rights the Corporation may have to the contrary, including but without limiting the generality of the foregoing:

- (a) Any damage to or destruction of part or all of the Facilities;
- (b) The taking or damaging of part or all of the Facilities or any temporary or partial use thereof by any public authority or agency in the exercise of the power of eminent domain, sequestration or otherwise;
- (c) Any assignment, novation, merger, consolidation, transfer of assets, leasing or other similar transaction of, by or affecting the Corporation, except as otherwise provided in this Supplemental Loan Agreement;
- (d) Any change in the tax or other laws of the United States, the State or any governmental authority;
- (e) The termination of the Ground Lease or the Facilities Lease, any failure of title or any lawful or unlawful prohibition of the Corporation's use of the Facilities or any portion thereof or the interference with such use by any person or any commercial frustration of purpose or loss or revocation of any permits, licenses or other authorizations required for the operation of the Facilities; and
- (f) Any failure of the Authority or the Trustee to perform and observe any agreement or covenant, expressed or implied, or any duty, liability or obligation arising out of or in connection with this Supplemental Loan Agreement, the invalidity, unenforceability or disaffirmance of any of this Supplemental Loan Agreement, the Supplemental Indenture or the Series 2013 Bonds or for any other cause similar or dissimilar to the foregoing.

(g) Furthermore, the Corporation covenants and agrees that it will remain obligated under this Supplemental Loan Agreement in accordance with its terms, and that it will not take or participate or acquiesce in any action to terminate, rescind or avoid this Supplemental Loan Agreement.

Section 4.5 Prepayment of Payments.

(a) The Corporation is obligated to prepay the Payments, in whole or in part, on any date on which the Series 2013 Bonds are subject to optional redemption pursuant to the Supplemental Indenture, including, without limitation, Section 3.4(a) thereof.

(b) The option to redeem the Series 2013 Bonds under Section 3.4(a) of the Supplemental Indenture can be exercised only upon written direction of the Corporation to the Authority as long as the Facilities Lease is outstanding. To exercise such option, the Corporation shall give written notice to the Authority and the Trustee and shall specify therein the date of such prepayment, which prepayment date shall be not fewer than thirty (30) days from the date such notice is received by the Trustee. The Authority and the Trustee shall make all necessary arrangements satisfactory to the Trustee for the redemption of Series 2013 Bonds to be redeemed under the Supplemental Indenture in accordance with the provisions thereof.

(c) The prepayment price payable by the Corporation, in the event of its exercise of the option granted in the Supplemental Indenture, or in the case of its obligation to prepay the Payments shall be the sum of the following:

(d) An amount of money that, when added to the moneys and investments held by the Trustee pursuant to the provisions of the Supplemental Indenture and available for such redemption, is sufficient to pay and discharge the Series 2013 Bonds to be redeemed (including the total principal amount of such Series 2013 Bonds and interest to accrue thereon to the date fixed for redemption of such Series 2013 Bonds to be redeemed, plus a premium equal to the amount of premium required to be paid in connection with the redemption of such Series 2013 Bonds) on the date fixed for redemption; plus

(e) An amount of money equal to the fees and expenses of the Trustee and the Authority accrued and to accrue through such redemption.

ARTICLE V NON-ARBITRAGE

Section 5.1 Covenants as to Arbitrage.

(a) The Corporation hereby agrees to prepare and provide instructions to the Trustee as to the investment and reinvestment of moneys held as part of any fund or account relating to the Series 2013 Bonds. Any such moneys so held as part of any fund or account shall be invested or reinvested by the Trustee in Permitted Investments as specified in Section 4.9 of the Supplemental Indenture. The Corporation hereby covenants that it will comply with the terms of the Tax Regulatory Agreement and that it will make such use of the proceeds of the Series 2013 Bonds and all other funds held by the Trustee under the Supplemental Indenture, regulate the investment of such proceeds and other funds and take such other and further action as may be required so that the Series 2013 Bonds will not constitute arbitrage bonds under Section 148 of the Code and the regulations promulgated thereunder. The Corporation agrees that it will comply with the terms of any letter of instructions provided to it by nationally recognized bond counsel relating to compliance with the provisions of Section 148 of the Code.

(b) If the Corporation determines that it is necessary to restrict or limit the yield on the investment of any money paid to or held by the Trustee hereunder or under the Supplemental Indenture in order to avoid classification of the Series 2013 Bonds as arbitrage bonds within the meaning of the Code, the Corporation may issue to the Trustee an instrument to such effect (along with appropriate written instructions), in which event the Trustee will take such action as is necessary to restrict or limit the yield on such moneys in accordance with such instrument and instructions.

ARTICLE VI
CERTAIN COVENANTS OF THE CORPORATION

Section 6.1 General Covenants of Corporation. The Corporation further expressly represents, covenants and agrees:

(a) To comply with the terms, covenants and provisions expressed or implied, of all contracts pertaining to, affecting or involving the Facilities or the business of the Corporation, the violation or breach of which would materially and adversely affect the ability of the Corporation to fulfill its obligations hereunder;

(b) Whenever and so often as requested so to do by the Trustee or the Authority, promptly to execute and deliver or cause to be executed and delivered all such other and further instruments and documents, and to promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Authority, the Trustee and the owners of the Series 2013 Bonds all rights, interests, powers, benefits, privileges and advantages conferred upon them by this Supplemental Loan Agreement and the Supplemental Indenture;

(c) Promptly, upon the request of the Authority or the Trustee from time to time, to take such action as may be necessary or proper to remedy or cure any material defect in or cloud upon its interest in the Facilities or any part thereof, whether now existing or hereafter developing, to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Authority and the Trustee harmless from all loss, cost, damage and expense, including attorney's fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceeding;

(d) To defend against every suit, action or proceeding at any time brought against the Authority or the Trustee based on any claim arising out of the receipt, application or disbursement of any of the Trust Estate or involving the Authority's or the Trustee's rights or obligations under this Supplemental Loan Agreement or under the Supplemental Indenture (except in the case of the Authority's or the Trustee's negligence or willful misconduct), to indemnify and hold harmless the Trustee and each officer, employee, agent, or other representative of the Trustee against claims arising out of the Trustee's responsibilities under this Supplemental Loan Agreement, the Indenture or any other document entered into by the Trustee in connection with the Bonds (except in the case of the Trustee's negligence or willful misconduct), to indemnify and hold harmless the Authority and any officer, employee, agent, servant or trustee of the Authority against claims during the term of this Supplemental Loan Agreement that may be occasioned by any cause (other than the negligence or willful misconduct of the Authority, its officers, employees, agents, servants and trustees) pertaining to the construction, use, possession, operation, service, design or management or leasing or subleasing of the Facilities and any liabilities or losses resulting from violations by the Corporation of conditions, agreements and requirements of law affecting the Facilities or the ownership, occupancy or use thereof or arising from any defect in or from the operation of the Facilities, and to protect and insulate the Authority and the members of its Board of

Trustees individually from any and all financial responsibility or liability whatsoever with respect to the Facilities;

(e) At all times to maintain the Corporation's rights to carry on the business of the Corporation and to duly procure all licenses and other authorizations required for the carrying on of its business and to provide all renewals and replacements and improvements to, and extensions of, the Facilities and to diligently maintain, preserve and renew all the rights, powers, privileges, approvals, licenses and franchises required for the carrying on of its business;

(f) To fulfill its obligations and to perform punctually its duties and obligations under this Supplemental Loan Agreement and to otherwise carry on its business in accordance with the terms hereof to assure the continued proper operation, management, repair and maintenance of the Facilities;

(g) To cause compliance with all material provisions of applicable Federal, State and local laws;

(h) To pay, discharge, indemnify and save the Authority and the Trustee, except in the case of their negligence or willful misconduct, and their respective officers, agents, employees, servants and trustees harmless of, from and against any and all costs, claims, damages, expenses, liabilities, liens, obligations, penalties and taxes of every character and nature, by or on behalf of any person, firm, corporation, entity or governmental authority regardless of by whom advanced, asserted, held, imposed or made, which may be imposed upon, incurred by or asserted against the Authority and the Trustee and their respective officers, agents, employees, servants and trustees arising out of, resulting from or in any way connected with this Supplemental Loan Agreement, the Series 2013 Bonds or the Supplemental Indenture excepting willful misconduct and negligence on the part of the Authority or the Trustee or their respective officers, agents, employees, servants and trustees. The Corporation also covenants and agrees, at its expense, to pay and to indemnify and to save the foregoing harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand; and

(i) That it is an exempt organization under Section 501(c)(3) of the Code organized and operated exclusively for religious, charitable, scientific and educational purposes, and it shall not perform any act or enter into any agreement that shall adversely affect its ability to obtain such status as set forth in this Section.

Section 6.2 Covenants Regarding Operation and Maintenance by the Corporation of its Properties. The Corporation acknowledges and agrees that it shall pay during the term hereof all Payments and other sums required hereunder and shall cause the Board to pay, as Additional Rental under the Facilities Lease, all Operation and Maintenance Expenses. The Corporation also expressly covenants and agrees:

(a) That it shall cause the Board or the University to maintain or cause to be maintained the Facilities, and each and every portion thereof, including all additions and improvements and all facilities adjoining and/or appurtenant thereto, in good operating order and condition, reasonable and ordinary wear and tear alone excepted, and make all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, and otherwise to make all replacements, alterations, improvements and modifications to the Facilities necessary to ensure that the same at all times shall be suitable for the efficient operation thereof for the purpose intended;

(b) That the Authority, the Trustee and their agents shall have the right to inspect the Facilities at any reasonable time in a manner that will not interfere unreasonably with the Corporation's use thereof; however, any right of access to any portion of the Facilities leased to the students, faculty, staff and Permitted Sublessees, as defined in the Facilities Lease, shall be subject to their rights pursuant to the rental agreement and University policy;

(c) That it shall cause the Board to pay, as Additional Rental under the Facilities Lease, as the same respectively become due, all taxes and assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Facilities. The Corporation shall not allow any part of the Facilities to become and remain subjected to any mechanics', laborer's or materialmen's liens of record. Notwithstanding the foregoing, the Corporation may, at its own expense and in its own name, contest any such item of tax, assessment, liens or other governmental charge and, in the event of such contest, may permit the item so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority or the Trustee shall notify the Corporation that, in the opinion of nationally recognized bond counsel by nonpayment of any such items the security afforded the Series 2013 Bonds pursuant to the terms of the Supplemental Indenture or Supplemental Loan Agreement will be materially endangered, in which event such taxes, assessments or charges shall be paid forthwith. The Authority will cooperate to the extent reasonably necessary with the Corporation in any such claim, defense or contest. In the event the Corporation fails to do so, the Authority or the Trustee may, but shall be under no obligation to, pay any such item and any amounts so advanced therefor by the Authority or the Trustee shall become an additional obligation of the Corporation to the one making the advancement, which amount the Corporation agrees to pay together with interest thereon at the rate of the Trustee's prime lending rate, but solely from the Revenues;

(d) That it shall comply promptly with all material provisions of present and future laws, ordinances, orders, rules, regulations and requirements of every duly constituted governmental authority or agency and all material orders, rules and regulations of any regulatory, licensing, insurance underwriting or rating organization or other body exercising similar functions. The Corporation shall likewise perform and comply with all duties and obligations of any kind imposed by law, covenant, condition, agreement or easement and the requirements of all policies of insurance at any time in force with respect to the Facilities;

(e) That it shall not use or allow the Facilities to be used or occupied for any unlawful purpose or in violation of any private covenant, restriction, condition, easement or agreement covering or affecting the use of the Facilities. The Corporation likewise shall not suffer any act to be done or any condition to exist in the Facilities or any article to be brought therein or thereon which may be dangerous, unless safeguarded as required by law, or which, under law, constitutes a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto; and

(f) That it shall take all action, if any, that may be required to obtain such consents, exceptions, exemptions or approvals of governmental authorities as may be necessary to permit it to comply fully with all covenants, stipulations, obligations and agreements of the Corporation contained in this Supplemental Loan Agreement.

Section 6.3 Covenant as to Encumbrances. The Corporation covenants that, so long as any of the Series 2013 Bonds remain outstanding, it shall not hereafter alienate and shall not hereafter create or suffer to be created any assignment, pledge, mortgage, hypothecation or lien on the Facilities, the Property, the Facilities Lease or any Base Rental under any circumstances, except for Permitted Encumbrances.

Section 6.4 Covenants, Representations and Warranties Relating to Federal Income Taxation.

(a) The Corporation covenants that it shall make such use of the proceeds of the Series 2013 Bonds, regulate investment of proceeds thereof and take such other and further actions as may be required by the Code and applicable temporary, proposed and final Regulations and procedures, necessary to assure that interest on the Series 2013 Bonds is excludable from gross income for Federal income tax purposes. Without limiting the generality of the foregoing covenant, the Corporation hereby covenants, represents and warrants, as follows:

(i) The Corporation will not take, fail to take or permit the commission of any action within its control necessary to be taken in order that interest on the Series 2013 Bonds will continue to be excludable from gross income for Federal income tax purposes;

(ii) The Corporation will preserve its status as an organization described in Section 501(c)(3) of the Code or corresponding provisions of prior law and to not be determined to be a private foundation as defined in Section 509 of said Code; the Corporation shall not perform any act or enter into any agreement which shall adversely affect its ability to obtain such federal income tax status; the Corporation shall not perform any act, enter into any agreement or use or permit any property of the Corporation to be used in any manner (including any unrelated trade or business) that could adversely affect the exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes pursuant to Section 103 of the Code; the Corporation shall not carry on or permit to be carried on in any property of the Corporation or permit any property of the Corporation to be used in or for any trade or business to the extent that such use of such property would adversely affect the exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes; and the Corporation is duly organized and existing as a non-profit corporation under the laws of the State and it will maintain, extend and renew its corporate existence under the laws of the State and will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted;

(iii) The Corporation will timely file a statement with the United States of America setting forth the information required pursuant to Section 149(e) of the Code;

(iv) The average term of the Series 2013 Bonds, calculated in proportion to the "issue price" (as defined in Section 1273 of the Code) of the bonds of each stated maturity of such Bonds, will not exceed 120% of the average reasonably expected economic life of the Facilities financed with the proceeds of the Series 2004 Bonds or the investment earnings thereon, weighted in proportion to the respective cost of each item comprising the Facilities financed with the proceeds of such Series 2004 Bonds. For purposes of the preceding sentence, the reasonably expected economic life of property shall be determined as of the later of (i) the date on which the Series 2004 Bonds were issued or (ii) the date on which such property was placed in service (or expected to be placed in service);

(v) The Corporation will not cause the Series 2013 Bonds to be treated as "federally guaranteed" obligations within the meaning of Section 149(b) of the Code (as may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to "federally guaranteed" obligations described in Section 149(b) of the Code);

(vi) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Series 2013 Bonds are delivered, the Corporation reasonably expects that

the proceeds of the Series 2013 Bonds will not be used in a manner that would cause the Series 2013 Bonds or any portion thereof to be an “arbitrage bond” within the meaning of Section 148 of the Code;

(vii) As provided in Article V hereof, the Corporation will monitor the yield on the investment of the proceeds of the Series 2013 Bonds and moneys pledged to the repayment of the Series 2013 Bonds, other than amounts not subject to yield restriction and will restrict the yield on such investments to the extent required by the Code or the Regulations;

(viii) The Corporation (or any “related person”, within the meaning of the Code) shall not, pursuant to an arrangement, formal or informal, purchase the Series 2013 Bonds in an amount related to the principal amounts advanced to the Corporation pursuant to this Supplemental Loan Agreement; and

(ix) The Corporation agrees to comply with all the terms and provisions of the Tax Regulatory Agreement executed in connection with the issuance and sale of the Series 2013 Bonds, and to perform the covenants and duties imposed on it contained therein.

(b) All officers, employees and agents of the Corporation are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Corporation as of the date the Series 2013 Bonds are delivered. In complying with the foregoing covenants, the Corporation may rely from time to time upon an opinion issued by nationally-recognized bond counsel to the effect that any action by the Corporation or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Series 2013 Bonds to be includable in gross income for Federal income tax purposes under existing law.

B-42 Section 6.5 Information. The Corporation agrees, whenever reasonably requested by the Authority or the Trustee, to provide access to inspect, examine and make copies of any and all books, accounts and records of the Corporation and to provide and certify or cause to be provided and certified such information concerning the Properties, the Facilities, the Corporation, its finances, and other topics as the Authority or Trustee, as the case may be, considers necessary to enable counsel to the Authority or the Trustee, as the case may be, to issue its opinions and otherwise advise the Authority or the Trustee, as the case may be, as to the transaction or the legal capacity of the parties to enter into the same, or to enable it to make any reports required by law, governmental regulation or the Supplemental Indenture. When any such information is provided by the Corporation pursuant to this Section 6.5 the Corporation shall provide such information to both the Authority and the Trustee.

Section 6.6 Source of Payments. The Corporation agrees to pay or cause to be paid the payments required by this Supplemental Loan Agreement solely from the Base Rental in the manner and at the times provided by this Supplemental Loan Agreement.

Section 6.7 Insurance. The Corporation shall cause the Board to maintain insurance covering such risks and in such amounts as is required by Section 9 of the Facilities Lease. Insurance proceeds and condemnation awards shall be applied in accordance with the Indenture.

Section 6.8 Annual Reports.

(a) Annually, within one hundred eighty (180) days from the end of each Fiscal Year, the Corporation will have made a complete audit of its records and accounts by an independent certified public accountant. A signed counterpart of its audited financial statements shall be furnished to the

Authority and the Trustee, and a copy thereof shall be furnished by the Corporation to any Bondholder who requests the same in writing.

(b) Any independent accountant that audits and reports on the Corporation’s financial statements or provides any certificate, report or opinion under the Supplemental Indenture and the Supplemental Loan Agreement shall be one of the “big five” nationally recognized firms of independent certified public accountants (or their successors).

Section 6.9 Merger or Consolidation.

(a) The Corporation shall not merge into, or consolidate with, one or more corporations, or allow one or more of such corporations to merge into it, or sell or convey all or substantially all of its assets to any person or entity or acquire all or substantially all of the assets of any person or entity (any such merger, consolidation, sale, conveyance or acquisition being referred to as a “Merger”), unless:

(i) Any successor corporation to the Corporation (including, without limitation, any purchaser of all or substantially all the Properties of the Corporation (the “*Successor Corporation*”) is a corporation organized and existing under the laws of the United States of America or a state thereof and shall execute and deliver to the Trustee an appropriate instrument, satisfactory to the Authority and the Trustee, containing the agreement of such successor corporation to assume, jointly and severally and in solido, the due and punctual payment of the principal of, premium, if any, and interest on all obligations of the Corporation (including, without limitation, the Series 2013 Bonds) according to their tenor and the due and punctual performance and observance of all the covenants and conditions of the Indenture and this Supplemental Loan Agreement to be kept and performed by the Corporation, accompanied by an opinion of counsel as to the validity and enforceability of such assumption (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Authority and the Trustee);

(ii) Immediately after such Merger, there would not be a default in the performance or observance of any covenant or condition of the Board Documents and the Bond Documents; and

(iii) There shall be delivered to the Authority and the Trustee an opinion of Bond Counsel (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) to the effect that under existing laws the consummation of such Merger, whether or not contemplated on the original date of delivery of the Bonds, would not adversely affect the validity of the Series 2013 Bonds or the exclusion otherwise available from gross income of interest on the Series 2013 Bonds for federal or state income tax purposes.

(b) In case of any such Merger and upon any such assumption by the Successor Corporation, the Successor Corporation shall succeed to and be substituted for its predecessor, with the same effect as if it had been named in the Supplemental Indenture and this Supplemental Loan Agreement as the Corporation.

Section 6.10 Revenue Transfer to Trustee. The Corporation hereby covenants:

(a) Upon the occurrence of an Event of Default under the Supplemental Loan Agreement, all Revenues pledged as security for the obligations of the Authority and/or the Corporation under the Indenture or Loan Agreement then on hand shall be transferred immediately to the Trustee, and

all such revenues received thereafter shall immediately, upon receipt, be transferred to the Trustee, and held for application pursuant to the Indenture or the Loan Agreement solely to the payment obligations of the Authority and/or the Corporation under the Indenture or Loan Agreement and the payment of reasonable and necessary costs of operation of the Facilities.

(b) To execute all necessary documents in order to effect a filing and reinscription of all necessary financing statements in such a manner as will preserve the effect of the financing statements from the date of original filing thereof.

Section 6.11 Disposition of Assets. The Corporation covenants that, so long as any of the Series 2013 Bonds remain outstanding, it shall not hereafter alienate and shall not hereafter create or suffer to be created, except for Permitted Liens, any assignment, pledge, hypothecation or lien on any Revenues or on the Facilities.

Section 6.12 Additional Corporation Representations.

(a) Each component of the Facilities is, or when acquired, will be located within the limits of the State of Louisiana.

(b) The Project is an "Authorized Project" under La. R.S. 33:4548.3(B) and the Corporation will operate the Project as an "Authorized Project" under La. R.S. 33:4548.3(B) for so long as the Bonds remains outstanding.

B-4
S Agreement true and correct.
(c) All material information given by the Corporation to the Authority concerning the Project, the Corporation and the Board was and is on the date of execution of this Supplemental Loan Agreement true and correct.

Section 6.13 Continuing Disclosure. The Board has provided a Continuing Disclosure Certificate and will cause the Trustee to deliver copies to the Authority of any information that the terms of the Continuing Disclosure Certificate require to be provided or filed within five (5) days of the provision or filing of such information as required by the Continuing Disclosure Certificate.

ARTICLE VII ASSIGNMENT

Section 7.1 Assignment of this Supplemental Loan Agreement.

(a) The rights of the Corporation under this Supplemental Loan Agreement may be assigned as a whole or in part but no such assignment shall constitute a release of the Corporation from its obligations hereunder.

(b) Each transferee of the Corporation's interest in this Supplemental Loan Agreement shall assume the obligations of the Corporation hereunder to the extent of the interest assigned, sold or leased, and the Corporation shall, not more than sixty (60) nor fewer than thirty (30) days prior to the effective date of any such assignment or lease, furnish or cause to be furnished to the Authority and the Trustee a true and complete copy of each such assignment or lease.

Section 7.2 Restrictions on Transfer of Authority's Rights. The Authority agrees that it will not during the term of this Supplemental Loan Agreement sell, assign, transfer or convey its interests in this Supplemental Loan Agreement except as provided in Section 7.3.

Section 7.3 Assignment by the Authority. It is understood, agreed and acknowledged that the Authority will assign to the Trustee pursuant to the Supplemental Indenture certain of its rights, title and interests in and to this Supplemental Loan Agreement (reserving its rights, however, pursuant to sections of this Supplemental Loan Agreement providing that notices, reports and other statements be given to the Authority and also reserving its rights to reimbursement and payment of costs and expenses under Section 9.5 hereof, its rights to indemnification under Section 6.1(d) hereof and its individual and corporate rights to exemption from liability under Section 10.12 hereof), including the interest of the Authority in and to the Facilities Lease assigned by the Corporation to the Authority hereunder, and the Corporation hereby assents to such assignment and pledge.

ARTICLE VIII SUPPLEMENTS AND AMENDMENTS

Section 8.1 Amendment to Loan Agreement Without Consent. The Authority and the Corporation, with the consent of the Trustee with respect to Sections 8.1(d) and 8.1(e) hereof, with the consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding) but without the consent of the owners of any of the Bonds Outstanding under the Indenture, may enter into supplements to the Loan Agreement that shall not be inconsistent with the terms and provisions hereof for any of the purposes heretofore specifically authorized in the Loan Agreement or the Indenture, and in addition thereto for the following purposes:

(a) To cure any ambiguity or formal defect, inconsistency or omission in the Loan Agreement or to clarify matters or questions arising hereunder;

(b) To add covenants and agreements for the purpose of further securing the obligations of the Corporation hereunder;

(c) To confirm as further assurance any mortgage or pledge of additional property, revenues, securities or funds;

(d) To conform the provisions of the Loan Agreement in connection with the provisions of any supplements or amendments to the Indenture entered into pursuant to the provisions of Section 10.1 thereof;

(e) To provide any other modifications which, in the sole judgment of the Trustee, are not prejudicial to the interests of the Bondholders; or

(f) to conform the covenants and provisions of the Corporation contained herein to any different financial statement presentation required by the Financial Accounting Standard Board that is different than the presentation required as of the date of issuance of the Bonds, so long as the effect of such conformed covenants and provisions is substantially identical to the effect of the covenants and provisions as in effect on the date of issuance of the Bonds.

Section 8.2 Amendment to Loan Agreement Upon Approval of a Majority of Bondholders.

(a) The provisions of the Loan Agreement may be amended in any particular with the consent of the owners of not less than a majority of the aggregate principal amount of Bonds then Outstanding and the written consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding); provided, however, that no such amendment may be adopted that decreases the percentage of owners of the Bonds required to approve an amendment, or that permits a change in the date of payment of

the principal of or interest on any Bonds or of any redemption price thereof or the rate of interest thereon without the consent of the owners of all of the aggregate principal amount of the Bonds then Outstanding.

(b) If at any time the Authority and the Corporation shall request the Trustee to consent to a proposed amendment for any of the purposes of this Section 8.2, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such proposed amendment to be given in the manner required by the Indenture to redeem the Bonds. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period as shall be prescribed by the Authority following such notice, the owners of not less than a majority in aggregate principal amount of the Bonds outstanding at the time of the execution of any such proposed amendment shall have consented to and approved the execution thereof as herein provided, no owner of any Bonds shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Corporation or the Authority from executing or approving the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such proposed amendment as in this Section permitted and provided, the Loan Agreement shall be and be deemed to be modified and amended in accordance therewith.

Section 8.3 Amendments to Facilities Lease or the Ground Lease Not Requiring Owner Consent. Subject to the terms and provisions of Section 8.5 and 8.7 of this Supplemental Loan Agreement, with the written consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding), the Facilities Lease or the Ground Lease may be amended or modified in any manner not inconsistent with the terms and provisions of this Supplemental Loan Agreement, for any one or more of the following purposes: (1) to cure any ambiguity or formal defect or omission in the Facilities Lease or the Ground Lease that does not have an adverse effect upon the interest of the Owners; (2) to grant or confer upon the Authority or the Trustee, for the benefit of the Owners, any additional rights, remedies, powers or authorities that lawfully may be granted to or conferred upon the Authority or the Trustee; (3) to more clearly identify the Facilities or to add to or subtract from the Facilities any property; (4) to amend or modify the Facilities Lease or the Ground Lease in any manner specifically required or permitted by the terms thereof, including as may be necessary to maintain the exclusion from gross income of interest on the Series 2013 Bonds for federal income tax purposes; (5) to make any amendment or modification required as a condition to obtaining any rating by Moody's or S&P with respect to the Series 2013 Bonds; and (6) to amend or modify the Facilities Lease or the Ground Lease in any other manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2013 Bonds (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding) or the Trustee and that does not involve a change described in Section 8.5 hereof.

Section 8.4 Amendments to the Facilities Lease or the Ground Lease Requiring Owner Consent. Exclusive of amendments and modifications covered by Section 8.3 hereof, the Facilities Lease or the Ground Lease may be amended or modified only as provided in Section 8.4 and 8.5 of this Supplemental Loan Agreement. Subject to the terms and provisions contained in Section 8.5 of this Supplemental Loan Agreement, the Authority and the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding), shall have the right, from time to time, anything contained in this Supplemental Loan Agreement to the contrary notwithstanding, to consent to and approve the amendment or modification of the Facilities Lease or the Ground Lease. If at any time there is a proposed amendment or modification to the Facilities Lease or the Ground Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such modification or amendment to be mailed to each of the owners of the Bonds at the address indicated on the registration

books of the Trustee (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding). Such notice shall briefly set forth the nature of the proposed amendment or modification and shall state that copies thereof are on file at the principal office of the Trustee for inspection by owners of all Outstanding Bonds. If, within sixty (60) days, or such longer period as shall be prescribed by the Authority, following the mailing of such notice, the owners of the requisite percentage in aggregate principal amount of the Outstanding Bonds at the time of the execution of any such amendment or modification shall have consented to and approved the execution thereof as herein provided, no owner of any Outstanding Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof; or to enjoin or restrain the parties thereto from executing the same or from taking any action pursuant to the provisions hereof.

Section 8.5 Consent Required Under Certain Circumstances for Amendment of Facilities Lease or Ground Lease. Nothing contained in Sections 8.3 and 8.4 of this Supplemental Loan Agreement shall permit, or be construed as permitting, without the approval and consent of all of the owners of the Outstanding Bonds (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding), (a) a reduction in the amount of, or the extension of the time for, any payment of Base Rental due under the Facilities Lease or any amount due under the Bond Insurance Policy; or (b) the termination of the Facilities Lease or the Ground Lease prior to the expiration of their stated term, other than in accordance with the provisions thereof.

Section 8.6 Opinion Required for Amendment of Facilities Lease or Ground Lease. Anything to the contrary herein notwithstanding, no amendment or modification of the Facilities Lease or the Ground Lease shall become effective unless and until the Trustee has been provided with an opinion of Bond Counsel to the effect that such amendment or modification will not have an adverse effect upon the validity of the Series 2013 Bonds and to the effect that such amendment or modification will maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes.

Section 8.7 Consent of the Board. Anything herein to the contrary notwithstanding, an amendment to the Facilities Lease or the Ground Lease under this Article VIII shall not become effective unless and until the Board shall have consented to the execution and delivery of such amendment to the Facilities Lease or the Ground Lease, unless an Event of Default has occurred and is continuing, and no amendment to the Facilities Lease or the Ground Lease shall without the prior written consent of the Board affect the date or amounts of payments required on the Series 2013 Bonds or required under the Facilities Lease.

Section 8.8 Filing. Copies of any such supplement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease shall be filed with the Trustee and delivered to the Authority and the Corporation before such supplement or amendment may become effective.

Section 8.9 Reliance on Counsel. The Authority and the Trustee shall be entitled to receive, and shall be fully protected in relying upon the opinion of counsel satisfactory to the Trustee, who may be counsel for the Authority, as conclusive evidence that any such proposed supplement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease complies with the provisions of this Supplemental Loan Agreement and the Indenture and that it is proper for the Authority and the Trustee under the provisions of this Article to execute or approve such supplement or amendment.

Section 8.10 Notice to Rating Agencies. No supplemental agreement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease shall be executed and delivered pursuant hereto without prior written notice having been given by the Corporation to Standard & Poor's Ratings Group and Moody's of the Corporation's intention to execute such supplemental agreement or

amendment thereof not fewer than fifteen (15) days in advance of the execution of said supplemental agreement or amendment. The Corporation shall provide the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding) a full transcript of all proceedings relative to said supplemental agreement or amendment.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Events of Default Defined. The terms “*Event of Default*” and “*Default*” under the Original Loan Agreement shall include any one or more of the following events:

(a) The Corporation shall default in the timely payment of any Payment pursuant to Article IV of this Supplemental Loan Agreement.

(b) An Event of Default shall exist under the Bond Documents, the Facilities Lease or the Tax Regulatory Agreement.

(c) The Corporation shall fail duly to perform, observe or comply with any other covenant, condition or agreement on its part under this Supplemental Loan Agreement (other than a failure to make any payment required under this Supplemental Loan Agreement), and such failure continues for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Corporation by the Trustee; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such thirty (30) day period, no Event of Default shall be deemed to have occurred or to exist if, and so long as the Corporation shall commence such performance, observation or compliance within such period and shall diligently and continuously prosecute the same to completion.

(d) The entry of a decree or order by a court having jurisdiction in the premises adjudging the Corporation a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Corporation under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The institution by the Corporation of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the United States Bankruptcy Code or any other similar applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

Section 9.2 Remedies. Whenever any Event of Default under the Original Loan Agreement shall have happened and be continuing, the Authority and the Trustee may take any of the remedial steps provided to such parties in the Original Loan Agreement and the Indenture; provided that, if all installments of Payments under the Original Loan Agreement are declared to be immediately due and payable, then all Payments due under Section 4.2 hereof shall also be immediately due and payable.

Section 9.3 No Remedy Exclusive: Selective Enforcement. No remedy conferred upon or reserved to the Authority or the Trustee by this Supplemental Loan Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Supplemental Loan Agreement and as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any event of nonperformance shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. In the event the Authority or the Trustee shall elect to selectively and successively enforce its rights under this Supplemental Loan Agreement, such action shall not be deemed a waiver or discharge of any other lien, encumbrance or security interest securing payment of the indebtedness secured hereby or thereby until such time that it shall have been paid in full all sums secured hereunder and thereunder. The foreclosure of any lien provided pursuant to this Supplemental Loan Agreement without the simultaneous foreclosure of all such liens shall not merge the liens granted which are not foreclosed with any interest which the Authority or the Trustee might obtain as a result of such selective and successive foreclosure.

Section 9.4 Indenture Overriding. All of the provisions of this Article are subject to and subordinate to the rights and remedies of the holders of the Bonds and the Trustee pursuant to the Indenture. The Authority shall have no power to waive any event of default hereunder, except with respect to indemnification and its administrative payments, without the consent of the Trustee to such waiver.

Section 9.5 Loan Agreement to Pay Attorneys' Fees and Expenses. In any Event of Default, if the Authority or the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Corporation herein contained, whether or not such suit is commenced, the Corporation agrees that it will on demand therefor pay to the Authority or the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Authority or the Trustee.

Section 9.6 Authority and Corporation to Give Notice of Default. The Authority and the Corporation severally covenant that they will, at the expense of the Corporation, promptly give to the Trustee written notice of any Event of Default under this Supplemental Loan Agreement of which they shall have actual knowledge or written notice, but the Authority shall not be liable (except as provided in Section 6.1(d) hereof) for failing to give such notice.

Section 9.7 Correlative Waivers. If an Event of Default under Section 8.2 of the Indenture shall be cured or waived and any remedial action by the Trustee rescinded, any correlative Default under this Supplemental Loan Agreement shall be deemed to have been cured or waived.

ARTICLE X MISCELLANEOUS

Section 10.1 References to the Series 2013 Bonds Ineffective After Series 2013 Bonds Paid. Upon payment of the Series 2013 Bonds, all references in this Supplemental Loan Agreement to the Bondholders shall be ineffective and the Authority and any holder of the Series 2013 Bonds shall not thereafter have any rights hereunder, excepting those that shall have theretofore vested.

Section 10.2 Amounts Remaining in Funds. It is agreed by the parties hereto that any amounts remaining in the Funds and Accounts established under the Supplemental Indenture upon the expiration

or sooner cancellation or termination of this Supplemental Loan Agreement, as provided herein, after payment in full of all Series 2013 Bonds then outstanding under the Indenture (or provisions for payment thereof having been made in accordance with the provisions of the Indenture), and the fees, charges and expenses of the Authority and the Trustee and all other amounts required to be paid hereunder and under the Indenture with respect to the Series 2013 Bonds (other than amounts payable as arbitrage rebate pursuant to the Code), shall belong to and be paid to the Corporation.

Section 10.3 Notices.

(a) All notices, demands and requests to be given or made hereunder to or by the Authority, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

If to the Authority:

Louisiana Local Government Environmental Facilities and
Community Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809
Attention: Executive Director

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: President

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

(b) Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The Corporation, the Authority and the Trustee may, by notice given hereunder, designate any further or different addresses, counsel or counsel addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 10.4 Binding Effect. This Supplemental Loan Agreement shall inure to the benefit and shall be binding upon the Authority, the Corporation and their respective successors and assigns, subject to the limitation that any obligation of the Authority created by or arising out of this Supplemental Loan Agreement shall not be a general debt of the Authority, but shall be payable solely out of the proceeds derived from this Supplemental Loan Agreement and the sale of the Series 2013 Bonds under the Indenture.

Section 10.5 Performance on Legal Holidays. In any case where the date of maturity of interest on or principal of the Series 2013 Bonds or the date fixed for redemption or purchase of any Series 2013 Bonds or the date fixed for the giving of notice or the taking of any action under the Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the giving of such notice or the taking of such action need not be made on

such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

Section 10.6 Execution in Counterparts. This Supplemental Loan Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument; provided, however, that upon the assignment and pledge to the Trustee provided for in Section 3.2 hereof, the Authority shall deliver to the Trustee an executed counterpart of this Supplemental Loan Agreement which executed counterpart shall be deemed to be collateral of which the Trustee has taken possession and no other counterpart shall be deemed to be collateral for any other purpose.

Section 10.7 Applicable Law. This Supplemental Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 10.8 Severability. If any clause, provision or Section of this Supplemental Loan Agreement be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Supplemental Loan Agreement shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Supplemental Loan Agreement be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Authority or the Corporation, as the case may be, only to the extent permitted by law.

Section 10.9 Captions. The table of contents, captions or headings of the several articles and sections of this Supplemental Loan Agreement are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Supplemental Loan Agreement.

Section 10.10 Consents and Approvals. Whenever the consent or approval of the Authority, the Corporation or the Trustee shall be required under the provisions of this Supplemental Loan Agreement, such consent or approval shall not be unreasonably withheld or delayed.

Section 10.11 Third Party Beneficiaries. It is specifically agreed between the parties executing this Supplemental Loan Agreement that it is not intended by any of the provisions of any part of this Supplemental Loan Agreement to make the public or any member thereof, other than the Trustee and except as expressly provided herein or as contemplated in the Indenture, a third party beneficiary hereunder, or to authorize anyone not a party to this Supplemental Loan Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Supplemental Loan Agreement. The duties, obligations and responsibilities, if any, of the parties to this Supplemental Loan Agreement with respect to third parties shall remain as imposed by law.

Section 10.12 Exculpatory Provision.

(a) In the exercise of the powers of the Authority the Trustee and their respective trustees, directors, officers, employees and agents (each, an "Indemnified Party") under this Supplemental Loan Agreement, each Indemnified Party shall not be accountable or liable to the Corporation (i) for any actions taken or omitted by such Indemnified Party in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them (other than the negligence or willful misconduct of such Indemnified Party), or (ii) for any claims based on this Supplemental Loan Agreement against any such Indemnified Party, all such liability, if any, being expressly waived by the

Corporation by the execution of this Supplemental Loan Agreement. The Corporation shall indemnify and hold harmless each Indemnified Party against any claim or liability based on the foregoing asserted by any other person.

(b) In case any action shall be brought against an Indemnified Party in respect of which indemnity may be sought against the Corporation, such Indemnified Party shall promptly notify the Corporation in writing and the Corporation shall assume the defense thereof, including the employment of counsel of the Corporation's choice and the payment of all expenses. Such Indemnified Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party unless the employment of such counsel has been authorized by the Corporation. The Corporation shall not be liable for any settlement of any such action without its consent but if any such action is settled with the consent of the Corporation or if there be final judgment for the plaintiff of any such action, the Corporation agrees to indemnify and hold harmless such Indemnified Party from and against any loss or liability by reason of such settlement or judgment.

(c) No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligations, covenant or agreement contained in this Supplemental Loan Agreement against any past, present or future officer, director, member, employee or agent of the Authority, or of any successor public corporation, as such, either directly or through the Authority or any successor public corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees, or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Supplemental Loan Agreement and the issuance of such Bonds.

Section 10.13 Accounts and Audits. The Authority shall cause the Trustee to keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Bonds. The Authority shall have access to the Corporation's books and records with respect to the Facilities upon written request after reasonable notice.

Section 10.14 Date of Supplemental Loan Agreement. The dating of this Supplemental Loan Agreement as of November 1, 2013 is intended as and for the convenient identification of this Supplemental Loan Agreement and is not intended to indicate that this Supplemental Loan Agreement was executed and delivered on said date, this Supplemental Loan Agreement being executed on the dates of the respective acknowledgments hereto attached.

Section 10.15 Reliance. It is expressly understood and agreed by the parties to this Supplemental Loan Agreement that:

(a) the Authority may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Authority by the Trustee, any Bondholder or the Corporation as to the existence of a fact or state of affairs required under this Supplemental Loan Agreement to be noticed by the Authority;

(b) the Authority shall not be under any obligation to perform any recordkeeping or to provide any legal service, it being understood that such services shall be performed or caused to be performed by the Trustee or the Corporation; and

(c) none of the provisions of this Supplemental Loan Agreement or the Mortgage shall require the Authority to expend or risk its own funds (apart from the proceeds of Bonds issued under the Indenture) or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights under this Supplemental Loan Agreement or the Mortgage unless it first shall have been adequately indemnified to its satisfaction against the costs, expenses and liabilities which may be incurred by taking any such action.

Section 10.16 Authority Not Liable. Notwithstanding any other provision of this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Loan Agreement or the Tax Regulatory Agreement, (a) the Authority shall not be required to take action under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement or the Tax Regulatory Agreement unless the Authority (i) is requested in writing by an appropriate Person to take such action; and (ii) is assured of payment of or reimbursement for any expense incurred in taking such action, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Authority nor any official, officer, member, director, agent, employee or servant of the Authority shall be liable to the Corporation, the Trustee or any other Person for any action taken by the Authority or by its officials, officers, members, directors, agents, employees, or servants, or for any failure to take action under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement, or the Tax Regulatory Agreement. In acting or in refraining from acting under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement or the Tax Regulatory Agreement, the Authority may conclusively rely on the advice of its counsel.

Section 10.17 No Violations of Law. Any other term or provision in this Supplemental Loan Agreement to the contrary notwithstanding:

- (a) In no event shall this Supplemental Loan Agreement be construed as:
- (i) depriving the Authority of any right or privilege; or
 - (ii) requiring the Authority or any member, agent, employee, representative or advisor of the Authority to take or omit to take, or to permit or suffer the taking of, any action by itself or by anyone else;
 - (iii) which deprivation or requirement would violate, or result in the Authority's being in violation of the Act or any other applicable state or federal law; and
- (b) At no time and in no event with the Corporation permit, suffer or allow any of the proceeds of the Loan Agreement or the Bonds to be transferred to any Person in violation of, or to be used in any manner that is prohibited by, the Act or any other state or federal law.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority has caused this Supplemental Loan Agreement to be executed by its Executive Director and has caused the seal of the Authority to be affixed hereto and attested by its Assistant Secretary and the Corporation has caused this Supplemental Loan Agreement to be executed in its behalf by its President, all as of the day and year above written.

EXHIBIT A

DESCRIPTION OF FACILITIES

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: _____
Steve A. Dicharry, Executive Director

ATTEST:

By: _____
Linda U. Martin, Assistant Secretary

B-48
[SEAL]

UNIVERSITY FACILITIES, INC.

By: _____
Name:
Title:

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)
2. Construction of a new residence hall ("Residence Hall P") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:

- (a) Taylor Hall (to occur June / July 2006)

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

EXHIBIT B

PERMITTED ENCUMBRANCES

[None].

B-49

FORM OF
THIRD SUPPLEMENTAL
GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessor)

and

UNIVERSITY FACILITIES, INC.
(as Lessee)

Dated as of November 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

AND

\$5,545,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| ARTICLE I LEASE OF PROPERTY - TERMS OF GROUND LEASE | 3 |
| Section 1.01 <u>Lease of Land</u> | 3 |
| Section 1.02 <u>Habendum</u> | 3 |
| Section 1.03 <u>Term</u> | 3 |
| ARTICLE II DEFINITIONS | 3 |
| Section 2.01 <u>Definitions</u> | 3 |
| ARTICLE III RENT | 7 |
| Section 3.01 <u>Rent</u> | 7 |
| Section 3.02 <u>Additional Obligations</u> | 7 |
| ARTICLE IV USE OF LAND | 8 |
| Section 4.01 <u>Purpose of Lease</u> | 8 |
| Section 4.02 <u>Benefit of the Board and the University</u> | 8 |
| Section 4.03 <u>Data and Voice Communication Systems</u> | 8 |
| Section 4.04 <u>Compliance with Statutory Requirements</u> | 8 |
| ARTICLE V RESERVED | 8 |
| ARTICLE VI ENCUMBRANCES | 8 |
| Section 6.01 <u>Mortgage of Leasehold or the Facilities</u> | 8 |
| ARTICLE VII MAINTENANCE AND REPAIR | 9 |
| Section 7.01 <u>Maintenance, Repairs and Renovations</u> | 9 |
| ARTICLE VIII CERTAIN LIENS PROHIBITED | 9 |
| Section 8.01 <u>No Mechanics' Liens</u> | 9 |
| Section 8.02 <u>Release of Recorded Liens</u> | 9 |
| Section 8.03 <u>Memorandum of Recitals</u> | 9 |
| ARTICLE IX OPERATION AND MANAGEMENT OF FACILITIES | 10 |
| Section 9.01 <u>Management of Facilities and the Stadium Expansion</u> | 10 |
| Section 9.02 <u>Books and Records</u> | 10 |
| Section 9.03 <u>Audits</u> | 10 |
| ARTICLE X INDEMNIFICATION | 10 |
| Section 10.17 <u>Indemnification by the Corporation</u> | 10 |
| Section 10.18 <u>Contributory Acts</u> | 10 |
| ARTICLE XI TERMINATION, DEFAULT AND REMEDIES | 10 |
| Section 11.01 <u>Events Of Default</u> | 10 |
| Section 11.02 <u>The Board's Rights Upon Default</u> | 11 |
| Section 11.03 <u>Termination of Right of Occupancy</u> | 11 |
| Section 11.04 <u>Rights of The Board Cumulative</u> | 12 |
| ARTICLE XII TITLE TO THE FACILITIES | 12 |
| Section 12.01 <u>Title to Facilities</u> | 12 |

| | |
|--|----|
| Section 12.02 <u>The Board's Option to Require Demolition</u> | 12 |
| Section 12.03 <u>Termination of Facilities Lease</u> | 12 |
| Section 12.04 <u>Insurance Proceeds</u> | 12 |
| Section 12.05 <u>Condemnation, Casualty and Other Damage</u> | 13 |
| ARTICLE XIII CONDEMNATION | 13 |
| Section 13.01 <u>Condemnation</u> | 13 |
| Section 13.02 <u>Partial Condemnation if Facilities Lease is No Longer in Effect</u> | 13 |
| Section 13.03 <u>Partial or Total Condemnation if Facilities Lease is in Effect</u> | 13 |
| Section 13.04 <u>Payment of Awards - If Facilities Lease is in Effect</u> | 13 |
| Section 13.05 <u>Payment of Awards - If Facilities Lease is not in Effect</u> | 14 |
| Section 13.06 <u>Bond Documents Control</u> | 14 |
| ARTICLE XIV ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE CORPORATION'S INTEREST | 14 |
| Section 14.01 <u>Assignment of Leasehold Interest</u> | 14 |
| Section 14.02 <u>Subletting</u> | 14 |
| Section 14.03 <u>Transfers of the Corporation's Interest</u> | 14 |
| ARTICLE XV COMPLIANCE CERTIFICATES | 14 |
| Section 15.01 <u>The Corporation's Compliance</u> | 14 |
| Section 15.02 <u>The Board's Compliance</u> | 15 |
| ARTICLE XVI TAXES AND LICENSES | 15 |
| Section 16.01 <u>Payment of Taxes</u> | 15 |
| Section 16.02 <u>Contested Tax Payments</u> | 15 |
| ARTICLE XVII FORCE MAJEURE | 15 |
| Section 17.01 <u>Discontinuance During Force Majeure</u> | 15 |
| ARTICLE XVIII MISCELLANEOUS | 16 |
| Section 18.01 <u>Nondiscrimination, Employment and Wages</u> | 16 |
| Section 18.02 <u>Notices</u> | 16 |
| Section 18.03 <u>Relationship of Parties</u> | 17 |
| Section 18.04 <u>Memorandum of Lease</u> | 17 |
| Section 18.05 <u>Attorney's Fees</u> | 17 |
| Section 18.06 <u>Louisiana Law to Apply</u> | 17 |
| Section 18.07 <u>Warranty of Peaceful Possession</u> | 17 |
| Section 18.08 <u>Curative Matters</u> | 18 |
| Section 18.09 <u>Nonwaiver</u> | 18 |
| Section 18.10 <u>Terminology</u> | 18 |
| Section 18.11 <u>Counterparts</u> | 18 |
| Section 18.12 <u>Severability</u> | 18 |
| Section 18.13 <u>Authorization</u> | 18 |
| Section 18.14 <u>Ancillary Agreements</u> | 18 |
| Section 18.15 <u>Amendment</u> | 19 |
| Section 18.16 <u>Successors and Assigns</u> | 19 |
| Section 18.17 <u>Entire Agreement</u> | 19 |
| EXHIBIT A – LAND DESCRIPTION | |
| EXHIBIT B – PERMITTED ENCUMBRANCES | |

B-51

THIRD SUPPLEMENTAL
GROUND AND BUILDINGS LEASE AGREEMENT

This THIRD SUPPLEMENTAL GROUND AND BUILDINGS LEASE AGREEMENT (together with any amendment hereto or supplement hereof, the “*Ground Lease*”) dated as of November 1, 2013, is entered into by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the “*Board*”), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the “*University*”), which Board is represented herein by John L. Crain, President of the University and Board Representative, duly authorized, and UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by _____, its _____ (the “*Corporation*”) and supplements and amends that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (collectively, the “*Prior Ground Lease*”).

WITNESSETH

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private non-profit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University (the “*Campus*”) provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Board;

WHEREAS, in order to further these functions of the Board, by development of housing and related facilities for students, faculty and staff on the Campus, the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such student housing and related facilities and leasing such facilities back to the Board;

WHEREAS, pursuant to the Prior Ground Lease, the Board leased certain property (the “*Property*”) to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further amended by that certain Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (collectively, the “*Prior Facilities Lease*”) each between the Corporation and the Board;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the “*Trustee*”), dated as of August 1, 2004 (the “*Series 2004 Indenture*”), the Issuer issued its

B-52

\$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds" and, together with the Series 2004A Bonds, the "Series 2004 Bonds");

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Series 2004 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "Series 2004 Facilities"), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a Debt Service Reserve Fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the "Series 2007 Indenture"), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "Series 2007A Bonds") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the "Series 2007B Bonds" and, together with the Series 2007A Bonds, the "Series 2007 Bonds");

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the "Series 2007 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Series 2007 Facilities (as defined herein), (ii) fund a deposit to the Debt Service Reserve Fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 18.15 of the Prior Ground Lease, Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 the Series 2007 Loan Agreement provide that the Prior Ground Lease may be amended with the consent of the Series 2004 Bond Insurer (as hereinafter defined) in order to amend or modify the Prior Ground Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Series 2004 Bond Insurer or the Trustee; and

WHEREAS, the Issuer is issuing its \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the "Series 2013 Bonds"), pursuant to a First Supplemental Trust Indenture dated as of November 1, 2013 between the Issuer and the Trustee, supplementing and amending the Series 2004 Indenture, in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Ground Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE I LEASE OF PROPERTY - TERMS OF GROUND LEASE

Section 1.01 Lease of Land. The Board does hereby let, demise, and rent unto the Corporation, and the Corporation does hereby rent and lease from the Board, the real property (the "Land") more particularly described on Exhibit A attached hereto, together with all existing and future improvements, alterations, additions and attached fixtures located or to be located on the Land (the "Facilities") and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Land for vehicular and pedestrian ingress and egress. Notwithstanding Article VIII of the Loan Agreement, the Board shall have the right to release from this Ground Lease, after demolition has been completed, any portion of the Land upon which existing facilities were demolished, if no portion of the Facilities is thereafter constructed thereon. The Corporation, by execution of this Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on Exhibit B attached hereto.

Section 1.02 Habendum. To have and to hold the Land and the Facilities, together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Corporation, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

Section 1.03 Term. Unless sooner terminated as herein provided, this Ground Lease shall continue and remain in full force and effect for a term commencing on the effective date hereof and ending on the earlier of (i) August 1, 2047, or (ii) the date on which any of the following events occur: (a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture, or (b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation's interest in the Series 2004 Facilities and the Series 2007 Facilities pursuant to the Option.

ARTICLE II DEFINITIONS

Section 2.01 Definitions. In addition to such other defined terms as may be set forth in this Ground Lease, the following terms shall have the following meanings:

"Affiliate" means, with respect to a designated Person under this Ground Lease, any other Person that, directly or indirectly, controls is controlled by, or is under common control with such designated Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person.

"Agreement" means collectively, the Series 2004 Agreement and the Series 2007 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

"Applicable Laws" means all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority which are applicable to the parties performing their obligations under this Ground Lease.

"Award" means any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

"Board" means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University.

"Board Representative" means the Person or Persons designated by the Board in writing to serve as the Board's representative(s) in exercising the Board's rights and performing the Board's obligations under this Ground Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Business and Finance, or his or her designee, the President or the Vice President for Administration and Finance of the University or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

"Board's Interest" means the Board's ownership interest in and to the Land and the Facilities.

"Bond Documents" shall have the meaning set forth in Section 3.12 of the Indenture.

"Bonds" shall mean the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds, any Additional Bonds issued pursuant to the Indenture and Bonds issued to refund any of the Series 2004 Bonds, Series 2007 Bonds or Series 2013 Bonds.

B
S
4
"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"Campus" means the campus of the University.

"Commencement Date" means the effective date of this Ground Lease, which is November __, 2013.

"Corporation" means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

"Event of Default" means any matter identified as an event of default under Section 11.01 hereof.

"Existing Facilities Lease" means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation.

"Existing Ground Lease" means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation.

"Expiration Date" means the expiration date of this Ground Lease as set forth in Section 1.03 hereof.

"Facilities" means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached hereto, as amended and supplemented in accordance with the provisions of the Agreement, which were renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds, respectively.

"Facilities Lease" means the Existing Facilities Lease as supplemented and amended by the Third Supplemental Facilities Lease, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

"Force Majeure" means any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, act of terrorism, war, blockade, insurrection, riot, or civil disturbance; (b) labor dispute, strike, work slowdown, or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of the Corporation; (d) adoption of or change in any Applicable Laws after the date of execution of this Ground Lease; (e) any actions by the Board which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of the Corporation.

"Governmental Authority" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"Ground Lease" means the Existing Ground Lease, as supplemented and amended by this Third Supplemental Ground Lease.

"Indenture" means, collectively, the Series 2004 Indenture, the Series 2007 Indenture and the Series 2013 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"Land" means the real property more particularly described on Exhibit A attached hereto upon which certain existing facilities have been demolished and upon which the Facilities were renovated, constructed and located.

"Mortgage" shall have the meaning set forth in the Agreement.

"Permitted Sublessees" means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

"Permitted Use" means (i) with respect to the Series 2004 Facilities, the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing and (ii) with respect to the Series 2007 Facilities, the operation of the Series 2007 Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

"Person" means an individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.

"Rent" means the annual rent paid by the Corporation as set forth in Section 3.01 hereof.

"Series 2004 Agreement" means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, as supplemented and amended by the Series 2013 Agreement, including any additional amendments and supplements thereof and thereto as permitted thereunder.

"Series 2004 Bond Insurer" means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

"Series 2004 Bonds" means the Issuer's \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds").

"Series 2004 Facilities" means the student housing and related facilities described in Exhibit D hereto, as Phase I, Phase II and Phase III, as amended and supplemented in accordance with the provisions of the Agreement.

"Series 2004 Indenture" means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, as supplemented and amended by the Series 2013 Indenture, including any additional amendments and supplements thereof and thereto as permitted thereunder.

"Series 2007 Agreement" means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

"Series 2007 Bonds" means, collectively, the Issuer's \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "Series 2007A Bonds") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

"Series 2007 Facilities" means the parking and related facilities described as Phase IV in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

"Series 2007 Indenture" means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder.

"Series 2013 Agreement" means the First Supplemental Loan and Assignment Agreement dated as of November 1, 2013, between the Corporation and the Issuer, supplementing and amending the Series 2004 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

"Series 2013 Bonds" means the Issuer's \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

"Series 2013 Indenture" means that certain First Supplemental Trust Indenture by and between the Trustee and the Issuer dated as of November 1, 2013, supplementing and amending the Series 2004 Indenture, including any amendment and supplements thereof and thereto as permitted thereunder.

"Stadium Expansion" shall mean the Football Stadium Improvements described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement, which improvements were not financed with Bond proceeds.

"Taking" means the actual or constructive condemnation, or the actual or constructive acquisition by condemnation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

"Term" means the term of this lease as set forth in Section 1.03 hereof.

"Third Supplemental Facilities Lease" means that certain Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 by and between the Corporation and the Board.

"Third Supplemental Ground Lease" means this Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 by and between the Board and the Corporation.

"Trustee" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

ARTICLE III RENT

Section 3.01 Rent. Commencing on the Commencement Date and continuing throughout the Term, the Corporation shall pay to the Board, at the address set forth in Section 18.02 hereof or such other place as the Board may designate from time to time in writing, as annual rent for the Land (the "Rent"), the sum of \$1.00 per year. Rent shall be due and payable annually in advance, with the first such payment of Rent being due on the Commencement Date and a like installment due on each anniversary thereafter during the Term.

Section 3.02 Additional Obligations. As further consideration for the entering into of this Ground Lease by the Board, the Corporation agrees to perform its construction obligations as set forth in Article Five herein, and to execute and perform its obligations under the Facilities Lease and all other documents contemplated by and ancillary to this Ground Lease and the Facilities Lease. Title to all improvements constructed or placed in service on the Land by the Corporation shall vest in the Board and the cost thereof incurred by the Corporation shall constitute additional rent hereunder. In addition, the Corporation agrees to pay the costs of demolishing, developing and/or constructing the Facilities and the Stadium Expansion pursuant to the terms of this Ground Lease and the Facilities Lease, title to which shall vest in the Board, which payment obligation shall constitute additional rent hereunder.

ARTICLE IV
USE OF LAND

Section 4.01 Purpose of Lease. The Corporation enters into this Ground Lease for the purpose of demolishing certain existing facilities and renovating, developing and constructing the Facilities and the Stadium Expansion and leasing the Facilities and the Stadium Expansion to the Board in accordance with the Facilities Lease. Except as otherwise provided herein, the Facilities and the Stadium Expansion are to be used for no other purpose.

Section 4.02 Benefit of the Board and the University. The Board shall own the Facilities and the Stadium Expansion subject to the Corporation's rights under this Ground Lease and, for so long as the Facilities Lease remains in full force and effect, the Board shall lease back the Facilities from the Corporation for the support, maintenance and benefit of the Board and the University. The Facilities and the Stadium Expansion shall be owned and leased solely for a public purpose related to the performance of the duties and functions of the Board and the University. Under no circumstances shall the Facilities and the Stadium Expansion be used for any purpose other than the Permitted Use.

Section 4.03 Data and Voice Communication Systems. The University, at its expense, agrees to provide to the Facilities and the Stadium Expansion appropriate cabling to tie its computer system into the Facilities and the Stadium Expansion. The University shall provide the Facilities and the Stadium Expansion access to its computer system at no charge to the Corporation.

Section 4.04 Compliance with Statutory Requirements. Section 3361, et. seq. of Title 17 of the Louisiana Revised Statutes prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Ground Lease, the Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation:

(a) the waiver by written consent of the formulation and adoption of rules, regulations and requirements, if any, relative to the erection, construction and maintenance of the Facilities and the Stadium Expansion referenced in Section 3362 A of Title 17 of the Louisiana Revised Statutes, other than those set forth in this Ground Lease or specifically referenced in this Ground Lease;

(b) the waiver by written consent of the Board's right to require removal of the Facilities and the Stadium Expansion referenced in Section 3362 B of Title 17 of the Louisiana Revised Statutes, except as set forth in this Ground Lease; and

(c) the waiver by written consent of the Board's right to adopt such rules or regulations as it deems necessary or desirable relative to the conduct and social activities of people in structures erected on the leased grounds referenced in Section 3364 of Title 17 of the Louisiana Revised Statutes, except as may be specified in this Ground Lease.

ARTICLE V
RESERVED

ARTICLE VI
ENCUMBRANCES

Section 6.01 Mortgage of Leasehold or the Facilities. Except for the Mortgage, the Corporation shall not mortgage, lien or grant a security interest in the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion or any other right of the Corporation hereunder without the prior written consent of the Board.

ARTICLE VII
MAINTENANCE AND REPAIR

Section 7.01 Maintenance, Repairs and Renovations.

(a) For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall be responsible for maintaining and repairing the Facilities and the Stadium Expansion in accordance with Section 7 of the Facilities Lease.

(b) In the event that the Facilities Lease has been terminated, the Corporation will: (1) maintain or cause to be maintained the Facilities and the Stadium Expansion, and will keep the Facilities and the Stadium Expansion in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; and (2) make from time to time any additions, modifications or improvements to the Facilities and the Stadium Expansion the Corporation may deem desirable for its business purposes that do not materially impair the effective use of the Facilities and the Stadium Expansion, provided that all such additions, modifications and improvements will become a part of the Facilities and the Stadium Expansion.

ARTICLE VIII
CERTAIN LIENS PROHIBITED

Section 8.01 No Mechanics' Liens. Except as permitted in Section 8.02 hereof the Corporation shall not suffer or permit any mechanics' liens or other liens to be enforced against the Board's ownership interest in the Land, the Facilities or the Stadium Expansion nor against the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the Land, the Facilities or the Stadium Expansion or any part thereof through or under the Corporation.

Section 8.02 Release of Recorded Liens. If any such mechanics' liens or materialmen's liens shall be recorded against the Land, the Facilities or the Stadium Expansion, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case the Corporation hereby agrees to indemnify and save the Board harmless from all liability for damages occasioned thereby and shall in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the Board reasonably should consider the Board's interest in the Land, the Facilities or the Stadium Expansion endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Board within thirty (30) days after such notice, then the Board, at the Board's sole discretion, may discharge such liens and recover from the Corporation immediately as additional Rent under this Ground Lease the amounts paid, with interest thereon from the date paid by the Board until repaid by the Corporation at the rate of ten percent (10%) per annum.

Section 8.03 Memorandum of Recitals. The memorandum of lease to be filed pursuant to Section 18.04 of this Ground Lease shall state that any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

ARTICLE IX
OPERATION AND MANAGEMENT OF FACILITIES

Section 9.01 Management of Facilities and the Stadium Expansion. For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall operate and manage the Facilities and the Stadium Expansion or cause the Facilities and the Stadium Expansion to be operated and managed in accordance with the Section 7 of the Facilities Lease.

Section 9.02 Books and Records. The Corporation shall keep, or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Corporation.

Section 9.03 Audits. The Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Corporation. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the Board, by the Louisiana Legislative Auditor or by independent auditors retained by the Board desiring to conduct such audit, but any and all such audits shall be conducted without materially or unreasonably interrupting or interfering with the normal conduct of business affairs by the Corporation.

ARTICLE X
INDEMNIFICATION

Section 10.17 Indemnification by the Corporation. Excluding the acts or omissions of the Board, its employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Board, its agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with the Corporation's construction of the Facilities and the Stadium Expansion. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation and the Board shall use the same counsel if such counsel is approved by the Board, which approval shall not be unreasonably withheld or delayed. If the Board does not approve such counsel then the Board may retain independent counsel at the Board's sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Board shall in no way be responsible therefor.

Section 10.18 Contributory Acts. Whenever in this Ground Lease any party is obligated to pay an amount or perform an act because of its negligence or misconduct (or that of its agents, employees, contractors, guests, or invitees), such obligations shall be mitigated to the extent of any comparative fault or misconduct of the other party (or that of its agents, employees, contractors, guests, or invitees) as determined by a court of law, and in any disputes damages shall be apportioned based on the relative amounts of such negligence or willful misconduct as determined by a court of law.

ARTICLE XI
TERMINATION, DEFAULT AND REMEDIES

Section 11.01 Events Of Default. Any one of the following events shall be deemed to be an "Event of Default" by the Corporation under this Ground Lease.

(a) The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of this Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.

(b) The taking by execution of the Corporation's leasehold estate (other than a foreclosure of the Mortgage) for the benefit of any Person.

(c) The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of this Ground Lease and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(d) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Facilities and the Stadium Expansion appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.

Section 11.02 The Board's Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Board may at its option seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Section 11.03 Termination of Right of Occupancy. Notwithstanding any provision of law or of this Ground Lease to the contrary, except as set forth in Section 1.03 hereof, the Board shall not have the right to terminate this lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Corporation hereunder, the Board shall have the right to terminate the Corporation's right to occupancy of the Land, the Facilities and the Stadium Expansion, except that the Facilities and the Stadium Expansion, at the option of the Board, shall remain thereon. The Board shall have the right upon ninety (90) days' written notice and opportunity to cure provided to the Series 2004 Bond Insurer and the Trustee, to take possession of the Land, the Facilities and the Stadium Expansion and to re-let the Land, the Facilities and the Stadium Expansion or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation hereby agrees to release its leasehold interest and all of its rights under this Ground Lease and the Facilities Lease to the new lessee of the Land (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, as applicable) agreeing to assume all of the Corporation's obligations under the Ground Lease, the Facilities Lease and under any debt incurred by the Corporation in connection with the construction of the Facilities and the Stadium Expansion.

Section 11.04 Rights of The Board Cumulative. All rights and remedies of the Board provided for and permitted in this Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Board of a breach of any of the covenants, conditions or restrictions of this Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Board to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

ARTICLE XII
TITLE TO THE FACILITIES

Section 12.01 Title to Facilities. Title to the existing Facilities and the Stadium Expansion and any new Facilities as they are constructed or placed in service upon completion thereof shall be vested in the Board. The Board's right to obtain title to the Facilities and the Stadium Expansion unencumbered by the leasehold interest of the Corporation granted hereunder shall be as set forth in the Facilities Lease. All furniture, fixtures, equipment and furnishings permanently affixed to the Facilities and the Stadium Expansion shall be the property of the Board upon termination of this Ground Lease whether such termination be by expiration of the Term or an earlier termination under any provision of this Ground Lease.

Section 12.02 The Board's Option to Require Demolition. Upon the Expiration Date of the Term or earlier termination hereof, in the event the Facilities or the Stadium Expansion are no longer suitable for the Board's purposes, the Board in its sole discretion may require the Corporation to demolish the Facilities or the Stadium Expansion and remove the Facilities or the Stadium Expansion from the Land, and restore the Land to substantially the same condition as it existed on the date of this Ground Lease, to be accomplished within one hundred eighty (180) days of such Expiration Date or earlier termination hereof. However, such demolition and removal of the Facilities or the Stadium Expansion shall be at the Board's sole cost and expense. In the event of such election upon the expiration of the Term, the Board shall notify the Corporation no later than six (6) months prior to the expiration of the Term. If this Ground Lease is terminated earlier, the Board shall notify the Corporation within thirty (30) days after the termination.

Section 12.03 Termination of Facilities Lease. Upon the termination of the Facilities Lease as a result of the Board's exercise of its option to purchase the Facilities and the Stadium Expansion granted under the Facilities Lease, all right and interest of the Corporation in and to this Ground Lease, the Facilities Lease and the Facilities and the Stadium Expansion shall be transferred to the Board, and the Corporation hereby agrees to execute any documents necessary to effectuate such transfer, or the Board may require the demolition of the Facilities and the Stadium Expansion as set forth in Section 12.02 above.

Section 12.04 Insurance Proceeds. Notwithstanding the fact that title to the Facilities and the Stadium Expansion is vested in the Board, if the Facilities Lease is no longer in force and effect, and all or any portion of the Facilities and the Stadium Expansion is damaged or destroyed by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*"), the proceeds of any insurance received on account of any such Casualty shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond

Documents are no longer in effect shall be disbursed to the Corporation as though the Corporation were the owner of the Facilities and the Stadium Expansion.

Section 12.05 Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities and the Stadium Expansion due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities and the Stadium Expansion by condemnation, expropriation, or eminent domain proceedings (collectively "*Expropriation*") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

ARTICLE XIII
CONDEMNATION

Section 13.01 Condemnation. If the Facilities Lease has been terminated, upon the permanent Taking of all the Land, the Facilities and the Stadium Expansion, this Ground Lease shall terminate and expire as of the date of such Taking, and both the Corporation and the Board shall thereupon be released from any liability thereafter accruing hereunder except for Rent and all other amounts secured by this Ground Lease owed to the Board apportioned as of the date of the Taking or the last date of occupancy, whichever is later. The Corporation shall receive notice of any proceedings relating to a Taking and shall have the right to participate therein.

Section 13.02 Partial Condemnation if Facilities Lease is No Longer in Effect. Upon a temporary Taking or a Taking of less than all of the Land, the Facilities and the Stadium Expansion and if the Facilities Lease is no longer in effect, the Corporation, at its election, may terminate this Ground Lease by giving the Board notice of its election to terminate at least sixty (60) days prior to the date of such termination. Upon any such termination, the Rent accrued and unpaid hereunder shall be apportioned to the date of termination. In the event there is a partial condemnation of the Land and the Corporation decides not to terminate this Ground Lease, the Board and the Corporation shall either amend this Ground Lease or enter into a new lease so as to cover an adjacent portion of property, if necessary to restore or replace any portion of the Land and/or Facilities and the Stadium Expansion.

Section 13.03 Partial or Total Condemnation if Facilities Lease is in Effect. If this Ground Lease is terminated under Section 13.01 or in the event of a Taking of less than all of the Land and the Facilities and the Stadium Expansion while the Facilities Lease is in force and effect, and the Board decides to restore or replace the Facilities and the Stadium Expansion in accordance with the Facilities Lease, the Board and the Corporation agree to enter into a new lease (in form and substance substantially the same as this Ground Lease) of a portion of property necessary to place thereon the Facilities and the Stadium Expansion and to enter into a new Facilities Lease (in form and substance substantially the same as the Facilities Lease) covering such replacement Facilities and the Stadium Expansion.

Section 13.04 Payment of Awards - If Facilities Lease is in Effect. Upon the Taking of all or any portion of the Land or the Facilities or and the Stadium Expansion while the Facilities Lease remains in full force and effect (a) the proceeds of the Award allocable to the value of the Facilities and the Stadium Expansion shall be disbursed in accordance with the provisions of the Facilities Lease and the Bond Documents, and (b) the Board shall be entitled (free of any claim by the Corporation) to the Award for the value of the Board's Interest (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest); and (c) the Corporation shall be entitled to the Award

for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.05 Payment of Awards - If Facilities Lease is not in Effect. Upon the Taking of all or any portion of the Land or the Facilities or the Stadium Expansion at any time after the Facilities Lease is no longer in force and effect, (a) the proceeds of the Award allocable to the value of the Facilities or the Stadium Expansion shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation, (b) the Board shall be entitled (free of any claim of the Corporation) to the Award for the value of the Board's Interest in the Land (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest) and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.06 Bond Documents Control. Notwithstanding anything in this Ground Lease to the contrary, in the event of a Casualty or a Taking of all or any portion of the Facilities or the Stadium Expansion, the provisions in the Bond Documents shall control the division, application and disbursement of any insurance proceeds or Award paid as a result thereof for so long as the Bond Documents remain in effect.

ARTICLE XIV
ASSIGNMENT, SUBLETTING, AND TRANSFERS
OF THE CORPORATION'S INTEREST

Section 14.01 Assignment of Leasehold Interest. Except as expressly provided for in Article VI and in this Article XIV, the Corporation shall not have the right to sell or assign the leasehold estate created by this Ground Lease, or the other rights of the Corporation hereunder to any Person without the prior written consent of the Board.

Section 14.02 Subletting. The Corporation is not authorized to sublet the leasehold estate to any entity other than the Board; provided, however, that if the Facilities Lease terminates, the Corporation shall have the right to sublease the Facilities to University students, faculty and staff and Permitted Sublessees.

Section 14.03 Transfers of the Corporation's Interest. Except as otherwise expressly provided herein, any Person succeeding to the Corporation's interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Corporation hereunder and shall be subject to the terms and provisions of this Ground Lease.

ARTICLE XV
COMPLIANCE CERTIFICATES

Section 15.01 The Corporation's Compliance. The Corporation agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by the Board, to execute, acknowledge and deliver to the Board or to such other party as the Board shall request, a statement in writing certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Corporation to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered

pursuant to this Section may be relied upon by any prospective purchaser of the Board's Interest or by any other Person.

Section 15.02 The Board's Compliance. The Board agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Corporation, to execute, acknowledge and deliver to the Corporation a statement in writing addressed to the Corporation or to such other party as the Corporation shall request, certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) to the best of its knowledge after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default); (d) during the construction period, the status of construction of the Facilities and the Stadium Expansion and the estimated date of completion thereof; and (e) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Facilities and the Stadium Expansion, or by any other Person.

ARTICLE XVI
TAXES AND LICENSES

Section 16.01 Payment of Taxes. The Board shall pay, and, upon request by the Corporation, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Corporation's interest in the Land or in the Facilities and the Stadium Expansion or upon any of the Corporation's property used in connection therewith or upon the Board or the Board's Interest. The Board may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Board to pay taxes and fees under this Section 16.01 shall apply only to the extent that the Board or the Corporation are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The Board and the Corporation agree to cooperate fully with each other to the end that tax exemptions available with respect to the Land, the Facilities and the Stadium Expansion under applicable law are obtained by the party or parties entitled thereto.

Section 16.02 Contested Tax Payments. The Board shall not be required to pay, discharge or remove any such taxes or assessments so long as the Board is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. The Corporation shall cooperate with the Board in completing such contest and the Corporation shall have no right to pay the amount contested during the contest. The Corporation, at the Board's expense, shall join in any such proceeding if any law shall so require.

ARTICLE XVII
FORCE MAJEURE

Section 17.01 Discontinuance During Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Corporation, the Corporation shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The Board shall not be obligated to recognize any delay caused by Force Majeure unless the Corporation shall within ten (10) days after the Corporation is aware of the existence of an event of Force Majeure, notify the Board thereof.

ARTICLE XVIII
MISCELLANEOUS

Section 18.01 Nondiscrimination, Employment and Wages. Any discrimination by the Corporation or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Ground Lease, is prohibited.

Section 18.02 Notices. Notices or communications to the Board or the Corporation required or appropriate under this Ground Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

with copies to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

with a copy to:

Seale & Ross
200 North Cate Street
Hammond, LA 70404
Attention: T. Jay Seale

If to Series 2004 Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

If to Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Section 18.03 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of Lessor and Lessor hereunder.

Section 18.04 Memorandum of Lease. Neither the Board nor the Corporation shall file this Ground Lease for record in Tangipahoa Parish, Louisiana or in any public place without the written consent of the other. In lieu thereof the Board and the Corporation agree to execute in recordable form a memorandum of this Ground Lease in the form of Exhibit C attached hereto. Such memorandum shall be filed for record in Tangipahoa Parish, Louisiana.

Section 18.05 Attorney's Fees. If either party is required to commence legal proceedings relating to this Ground Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 18.06 Louisiana Law to Apply. This Ground Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Tangipahoa Parish, Louisiana.

Section 18.07 Warranty of Peaceful Possession. The Board covenants that the Corporation, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Corporation, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Land, the Facilities and the Stadium Expansion during the Term, subject to the Facilities Lease, and may exercise all of its rights hereunder; and the Board agrees to warrant and forever defend the Corporation's right to such occupancy, use, and enjoyment and the title to the Land against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Ground Lease, the Facilities Lease, and the matters listed on Exhibit B attached hereto.

Section 18.08 Curative Matters. Except for the express representations and warranties of the Board set forth in this Ground Lease, any additional matters necessary or desirable to make the Land useable for the Corporation's purpose shall be undertaken, in the Corporation's sole discretion, at no expense to the Board. The Corporation shall notify the Board in writing of all additional matters undertaken by the Corporation to make the Land usable for the Corporation's purpose.

Section 18.09 Nonwaiver. No waiver by the Board or the Corporation of a breach of any of the covenants, conditions, or restrictions of this Ground Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions or restrictions of this Ground Lease. The failure of the Board or the Corporation to insist in any one or more cases upon the strict performance of any of the covenants of the Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the Board or acceptance of payment by the Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the Board or the Corporation of any provision of this Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 18.10 Terminology. Unless the context of this Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the word "or" shall have the inclusive meaning represented by the phrase "and/or"; (e) the words "hereof," "herein," "hereunder," and similar terms in this Ground Lease shall refer to this Ground Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Ground Lease and the Table of Contents to this Ground Lease are for reference purposes and shall not control or affect the construction of this Ground Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Ground Lease unless otherwise specified. All exhibits attached to this Ground Lease constitute a part of this Ground Lease and are incorporated herein. All references to a specific time of day in this Ground Lease shall be based upon Central Standard Time (or the other standard of measuring time then in effect in Hammond, Louisiana).

Section 18.11 Counterparts. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 18.12 Severability. If any clause or provision of this Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of Ground Lease shall not be affected thereby.

Section 18.13 Authorization. By execution of this Ground Lease, the Corporation and the Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Ground Lease have been taken and performed; and that the persons signing this Ground Lease on their behalf have due authorization to do so.

Section 18.14 Ancillary Agreements. In the event it becomes necessary or desirable for the Board to approve in writing any ancillary agreements or documents concerning the Land or concerning the construction, operation or maintenance of the Facilities and the Stadium Expansion or to alter or amend any such ancillary agreements between the Board and the Corporation or to give any approval or

consent of the Board required under the terms of this Ground Lease, all agreements, documents or approvals shall be forwarded to the Board Representative.

Section 18.15 Amendment. No amendment, modification, or alteration of the terms of this Ground Lease shall be binding unless the same be in writing dated on or subsequent to the date hereof and duly executed by the parties hereto and consented to the extent required by Article VIII of the Agreement.

Section 18.16 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another educational institution or the Board into another educational management board.

Section 18.17 Conflicts between Existing Ground Lease and Third Supplemental Ground Lease. In the event any of the provisions of this Third Supplemental Facilities Lease conflict with any of the provisions of the Existing Facilities Lease, the provisions of this Third Supplemental Facilities Lease shall control.

Section 18.18 Entire Agreement. This Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the Land and contains all of the terms and conditions agreed upon with respect to the lease of the Land, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

B-01

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System on the ____ day of November, 2013.

WITNESSES: BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

By: _____
John L. Crain, President
Southeastern Louisiana University
Board Representative

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of University Facilities, Inc. on the ____ day of November, 2013.

WITNESSES: UNIVERSITY FACILITIES, INC.

B-62

By: _____
Name: _____
Title: _____

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this ____ day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOHN L. CRAIN

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

John L. Crain, President
Southeastern Louisiana University
Board Representative

WITNESSES:

Print Name:

Print Name:

NOTARY PUBLIC
Print Name: _____
La. Bar or Notary ID Number: _____
Lifetime Commission

STATE OF LOUISIANA

PARISH OF _____

BE IT KNOWN, that on this ____ day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

_____ to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the _____ of University Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

B-63

Name:
Title:

WITNESSES:

Print Name:

Print Name:

NOTARY PUBLIC
Print Name: _____
La. Bar or Notary ID Number: _____
Lifetime Commission

EXHIBIT A

LAND DESCRIPTION

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-

7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (1.70 Acre Tract - Taylor Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46’03” West 240.96 feet to the Point of Beginning;

thence North 00°14’06” West 278.02 feet; thence North 89°50’08” East 252.70 feet; thence South 00°08’03” East 181.58 feet; thence South 89°48’33” West 39.94 feet; thence South 00°21’03” West 96.15 feet; thence South 89°49’36” West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled “Plat of Survey Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana” prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.06 Acre Tract - Intermodal Facility):

B-64 A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 feet to a point; thence leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 30.32 feet to the Point of Beginning;

From the Point of Beginning run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 17.83 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 251.49 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 17.83 feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 265.35 feet back to the Point of Beginning.

Tract 5 (0.40 Acre Tract – Stadium Expansion):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 Feet to the Point of Beginning;

From the Point of Beginning and leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 326.00 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 52.92 Feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 326.00 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 31.13 feet back to the Point of Beginning.

EXHIBIT B

PERMITTED ENCUMBRANCES

1. Amended and Restated Ground Lease Agreement dated July 27, 2000 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.

2. Amended and Restated Agreement to Lease with Option to Purchase dated July 27, 2000 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.

3. Assignment of Leases and Rents dated July 27, 2000 by and between University Facilities, Inc., as assignor, and Hibernia National Bank, as assignee, relating to all leases and rents from the portion of the Facilities located on the 11.28 acre tract described as Tract 2 herein.

B-65

EXHIBIT C

MEMORANDUM OF GROUND LEASE

STATE OF LOUISIANA §
 § KNOW ALL MEN BY THESE PRESENTS:
PARISH OF TANGIPAHOA §

MEMORANDUM OF LEASE

This Memorandum of Lease (this "*Memorandum*") is entered into by and between the Board of Supervisors for the University of Louisiana System ("*Lessor*") and University Facilities, Inc. ("*Lessee*").

RECITALS

A. Lessor and Lessee have entered into a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "*Third Supplemental Ground Lease*"), supplementing and amending that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Existing Ground Lease*" and, together with the Third Supplemental Ground Lease, the "*Lease*"), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibit A attached hereto and incorporated herein (the "*Land*") and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on November __, 2013 and shall continue until midnight on August 1, 2047, unless sooner terminated or extended as provided in the Lease.
2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.
3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System
 1201 North 3rd Street, Suite 7300
 Baton Rouge, Louisiana 70802
 Attention: Vice President for Business and Finance

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

THUS DONE AND PASSED on the ___ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Phil K. Livingston, President/Chairman, of University Facilities, Inc., and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
Name: _____
Title

NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

B-66

EXHIBIT D

DESCRIPTION OF THE FACILITIES

Phase One

Phase One of the housing development was comprised of two primary elements:

1. Hazardous material abatement and demolition of the following residence halls:

- (a) Holloway Smith Hall (occurred in Spring 2004)
- (b) Hammond Hall (occurred in Spring 2004)
- (c) Carter Harris Hall (occurred in Spring 2004)

2. Construction of a new residence hall ("*Residence Hall I*") which provides approximately seven hundred eighteen (718) student beds in a mix of private and shared occupancy suites (opened January, 2005)

The project included: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and (5) provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (171,045 square feet)

Residence Hall was comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred fifty-eight (358) units of two-bedroom / one-bathroom and one-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of seven hundred eighteen (718) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-nine (179) of the units are designed for shared occupancy (360 total beds). Additionally, the Residence Hall I phase included a common area laundry facility in two of the buildings and area coordinator units in two of the buildings. In each building, community meeting rooms and tenant mail facilities were provided.

The first phase of development also included a 1,763 square foot maintenance facility for use by the property manager. Residence Hall I was completed in January, 2005.

Phase Two

Phase Two of the housing development was comprised of:

1. Construction of a new residence hall ("*Residence Hall II*") which provides seven hundred ninety-one (791) student beds in a mix of private and shared occupancy suites.
2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (184,530 square feet)

Residence Hall II is comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred ninety-five (395) units of housing configured in two-bedroom / one-

bathroom and one-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of seven hundred ninety-one (791) beds. Ninety-five (95) of the units (187 total beds) are designed for private occupancy and three hundred (300) of the units (604 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase includes one laundry facility and one area coordinator unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities are provided. The second phase of development included relocation of the campus police facility into one of the buildings, along with office / meeting space for the property management. Residence Hall II was completed in August, 2005.

Phase Three

Phase Three of the housing development has not been initiated and would be subject to further revision based upon input from the University. The following was the preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:

- (a) Taylor Hall (to be determined)

2. Construction of a new residence hall ("*Residence Hall III*") to provide approximately two hundred (200) student beds in private occupancy suites.

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is not currently in progress.

Residence Hall III unit mix and design is subject to further revision based upon University input.

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility consists of approximately 436 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It contains four parking levels containing 171,378 square feet with elevators and stairs.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements included the expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom

B-67

spaces. It consists of two levels containing approximately 9,323 square feet (plus 3,881 square feet at the two patios and 1,207 square foot at club seating area).

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

[THIS PAGE INTENTIONALLY LEFT BLANK]

B-68

FORM OF
THIRD SUPPLEMENTAL
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.
(as Lessor)

and

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessee)

Dated as of November 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

AND

\$5,545,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

| | | <u>Page</u> |
|-------------|---|-------------|
| Section 1. | Definitions..... | 2 |
| Section 2. | Agreement to Lease; Term of Lease..... | 13 |
| Section 3. | Acknowledgments, Representations and Covenants of the Board..... | 14 |
| Section 4. | Representations and Covenants of the Corporation..... | 17 |
| Section 5. | Waiver and Disclaimer of Warranties..... | 17 |
| Section 6. | Rental..... | 18 |
| Section 7. | Operation, Alterations, Maintenance, Repair, Replacement and Security Service..... | 22 |
| Section 8. | Utilities..... | 23 |
| Section 9. | Insurance..... | 23 |
| Section 10. | Condemnation, Casualty and Other Damage..... | 25 |
| Section 11. | Application of Insurance Proceeds; Condemnation Award..... | 25 |
| Section 12. | Encumbrances..... | 26 |
| Section 13. | Assignment and Sublease..... | 27 |
| Section 14. | Additions and Improvements Removal..... | 27 |
| Section 15. | Right of Entry..... | 28 |
| Section 16. | Mortgage Prohibition..... | 28 |
| Section 17. | Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest..... | 28 |
| Section 18. | Quiet Enjoyment..... | 28 |
| Section 19. | Environmental Compliance and Indemnity..... | 29 |
| Section 20. | The Corporation's Reservation of Rights..... | 29 |
| Section 21. | Default by the Board..... | 30 |
| Section 22. | Cumulative Remedies..... | 31 |
| Section 23. | Option to Purchase..... | 31 |
| Section 24. | Severability..... | 33 |
| Section 25. | Redemption of Bonds..... | 33 |
| Section 26. | Additional Bonds..... | 34 |
| Section 27. | Execution..... | 34 |
| Section 28. | Law Governing..... | 34 |
| Section 29. | Nonappropriation of Funds..... | 34 |
| Section 30. | Exculpatory Provision..... | 34 |
| Section 31. | Amendments..... | 35 |
| Section 32. | Recording..... | 35 |
| Section 33. | Construction Against Drafting Party..... | 35 |
| Section 34. | Time of the Essence..... | 35 |
| Section 35. | No Waiver..... | 35 |
| Section 36. | Survival..... | 35 |
| Section 37. | Counterparts..... | 35 |
| Section 38. | Estoppel Certificates..... | 35 |
| Section 39. | Waiver of Jury Trial..... | 36 |
| Section 40. | Written Amendment Required..... | 36 |
| Section 41. | Entire Agreement..... | 36 |
| Section 42. | Signs..... | 36 |
| Section 43. | Litigation Expenses..... | 36 |
| Section 44. | Brokers..... | 36 |
| Section 45. | No Easements for Air or Light..... | 36 |

| | | |
|-------------|------------------------------|----|
| Section 46. | Binding Effect..... | 37 |
| Section 47. | Rules of Interpretation..... | 37 |
| Section 48. | Relationship of Parties..... | 37 |
| Section 49. | Law Between the Parties..... | 37 |
| Section 50. | Notices..... | 37 |

| | | |
|-----------|----------------------------------|--|
| EXHIBIT A | DESCRIPTION OF FACILITIES | |
| EXHIBIT B | MEMORANDUM OF SUPPLEMENTAL LEASE | |

B-70

THIRD SUPPLEMENTAL
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

This THIRD SUPPLEMENTAL AGREEMENT TO LEASE WITH OPTION TO PURCHASE (together with any amendment hereto or supplement hereof, the "Facilities Lease"), dated and effective as of November 1, 2013, is entered into by and between UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by its _____ (the "Corporation"); and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "Board"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "University"), which Board is represented herein by John L. Crain, President of the University and Board Representative, duly authorized, supplements and amends that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation (the "Prior Facilities Lease").

WITNESSETH:

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private non-profit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Corporation;

WHEREAS, in order to further these functions of the Board, by demolition of certain existing facilities and renovation, development and construction of housing and related facilities for students, faculty and staff on the campus of the University (the "Campus"), the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such housing and related facilities and leasing such housing facilities back to the Board;

WHEREAS, pursuant to the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "Prior Ground Lease"), the Board leased certain property (the "Property") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of the Prior Facilities Lease;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A.

(the "Trustee"), dated as of August 1, 2004 (the "Series 2004 Indenture"), the Issuer issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds" and, together with the Series 2004A Bonds, the "Series 2004 Bonds");

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Series 2004 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "Series 2004 Facilities"), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a debt service reserve fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the "Series 2007 Indenture"), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "Series 2007A Bonds") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the "Series 2007B Bonds" and, together with the Series 2007A Bonds, the "Series 2007 Bonds");

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the "Series 2007 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Series 2007 Facilities (as defined herein), (ii) fund a deposit to a debt service reserve fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 31 of the Prior Facilities Lease and Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 of the Series 2007 Loan Agreement provide that, with the written consent of the Bond Insurer (as hereinafter defined) the Prior Facilities Lease may be amended in order to amend or modify the Prior Facilities Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Bond Insurer or the Trustee; and

WHEREAS, the Issuer is issuing its \$ _____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the "Series 2013 Bonds") in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Facilities Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of and as used in this Facilities Lease, have the meanings as set forth below. All other capitalized terms used herein without definition shall have the meanings as set forth in

the Indenture (as hereinafter defined). Other terms shall have the meanings assigned to them in other Sections of this Facilities Lease.

“*Additional Bonds*” means bonds, if any, issued in one or more series on a parity with the Series 2004 Bonds and the Series 2013 Bonds pursuant to Article V of the Indenture or on a parity with the Series 2007 Bonds pursuant to the Series 2007 Indenture.

“*Additional Housing Debt*” means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Rents.

“*Additional Phase Four Debt*” means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Series 2007 Lawfully Available Funds.

“*Additional Facilities*” means, collectively, any Additional Housing Facilities and Additional Parking Facilities.

“*Additional Housing Facilities*” means any additional student housing facilities owned or leased by the Board or the Corporation that have been incorporated with the Series 2004 Facilities into a single housing system pursuant to Section 3(i) hereof

“*Additional Parking Facilities*” means any additional intermodal parking facilities owned or leased by the Board or the Corporation that have been incorporated with the Series 2007 Facilities into a single intermodal parking system pursuant to Section 3(i) hereof.

“*Additional Rental*” means the amounts specified as such in Section 6I of this Facilities Lease.

“*Administrative Expenses*” means the necessary, reasonable and direct out-of-pocket expenses incurred by the Issuer or the Trustee pursuant to the Indenture and the Agreement, the compensation of the Trustee under the Indenture (including, but not limited to any annual administrative fee charged by the Trustee), the compensation of the Issuer, any amounts due to the Bond Insurer under the Reimbursement Agreement and the necessary, reasonable and direct out-of-pocket expenses of the Trustee incurred by the Trustee in the performance of its duties under the Indenture.

“*Agreement*” mean, collectively, (i) the Series 2004 Agreement as supplemented and amended by the Series 2013 Agreement and (ii) the Series 2007 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Annual Debt Service*” means the amount required to pay all principal of and interest on a series of Bonds and any Additional Housing Debt, as applicable, in any Fiscal Year. For purposes of calculating the Annual Debt Service on a series of Bonds or Additional Housing Debt or Additional Phase Four Debt the interest rate borne by which is not fixed to the maturity thereof on any date, for any period during which an interest swap or similar agreement shall be in effect whereunder the Corporation or the Board pays a fixed rate and the swap provider pays a floating rate that, in the judgment of the Authorized Corporation Representative (as evidenced by a certificate delivered to the Trustee) approximates the variable rate payable on such series of Bonds or Additional Housing Debt or Additional Phase Four Debt, the interest rate on such series of Bonds or Additional Housing Debt or Additional Phase Four Debt shall be deemed to be

equal to the fixed rate payable by the Corporation or the Board under such interest swap or similar agreement and for any period during which such an agreement shall not be in effect the interest rate on such Bonds or Additional Housing Debt or Additional Phase Four Debt shall be deemed to be the average interest rate borne by such series of Bonds or Additional Housing Debt or Additional Phase Four Debt during the immediately preceding twelve (12) month period or, if such series of Bonds or Additional Housing Debt or Additional Phase Four Debt has borne a floating rate for less than twelve (12) months, such series of Bonds or Additional Housing Debt or Additional Phase Four Debt shall be treated as if it bears interest at the 25-year Revenue Bond Index as published by *The Bond Buyer* on the date of determination.

“*Auction Rate Bonds*” means the Series 2004B Bonds so long as they are in Auction Rate Mode.

“*Authorized Corporation Representative*” means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

“*Auxiliary Revenues*” means the amount of all funds or revenues held by the University derived by Auxiliary Enterprises and any earnings thereof from the self-generated fees, rates, charges or income received by students, faculty or the public in connection with the utilization or operation of Auxiliary Enterprises after payment of any Auxiliary Enterprises expenses. The Auxiliary Enterprises of the University include the following, subject to modification from time to time: 1) student service fees for the operation of the University’s Textbook Rental, ID Card Services, Student Health Center and Student Union 2) certain commissions received from Food Service contractors, Retail Bookstore operations and Vending operations and 3) the sales of copying services. Auxiliary Revenues shall not include student fees specifically assessed by the University to service any outstanding obligations or any capital funds received by outside contractors required to make building improvements for their delivery of services.

“*Base Rental*” means the amounts referred to as such in Section 6(b) of this Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms hereof) but does not include Additional Rental.

“*Board*” means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University and on its own behalf.

“*Board Representative*” means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Facilities Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Business and Finance, or his or her designee, the President or Vice President for Administration and Finance of the University, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

“*Bond Documents*” shall have the meaning set forth in the Series 2013 Indenture.

“*Bond Insurer*” means, collectively, the Series 2004 Bond Insurer and the Series 2007 Bond Insurer.

“*Bonds*” means, collectively, the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds and any Additional Bonds issued pursuant to a supplemental Indenture as authorized hereby.

"Budget" means the University's budget as approved by the Board for any Fiscal Year during the Term.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§9601 et seq.).

"Claim" collectively means any claim, liability, demand, loss, damage, deficiency, litigation, cause of action, penalty, fine, judgment, defense, imposition, fee, lien, bonding cost, settlement, disbursement, penalty, cost or expenses of any and every kind and nature (including without limitation Litigation Expenses), whether known or unknown, incurred or potential, accrued, absolute, direct, indirect, contingent or otherwise and whether imposed by strict liability, negligence, or otherwise, and consequential, punitive and exemplary damage claims.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"Commencement Date" means the effective date of this Facilities Lease, which is November __, 2013.

"Corporation" means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payments or provision for payment of all of the Bonds.

"Debt Service Coverage Ratio for the Housing Facilities" means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Net Revenues of the Series 2004 Facilities for such Fiscal Year by Annual Debt Service on the Series 2004B Bonds, the Series 2013 Bonds and on any Additional Housing Debt issued and proposed to be issued on a parity therewith for such Fiscal Year; provided, however, that for the purpose of calculating the Debt Service Coverage Ratio for the Housing Facilities pursuant to subsection (i) of Section 3(i) hereof, to determine whether the Board may build, acquire or renovate any Additional Housing Facilities, the numerator of the fraction representing the Debt Service Coverage Ratio for the Housing Facilities shall be increased by the additional anticipated revenues, if any, to be derived from the Additional Housing Facilities constructed with the proceeds resulting from the Additional Housing Debt as certified by the Vice-President for Administration and Finance of the University.

"Debt Service Coverage Ratio for the Parking Facilities" means, for any Fiscal Year, the ratio determined by the Vice President for Administration and Finance of the University by dividing the amount of Auxiliary Revenues and the Student Fee for such Fiscal Year by Annual Debt Service on the Series 2007 Bonds outstanding and on any Additional Bonds issued and proposed to be issued on a parity therewith for such Fiscal Year.

"Debt Service Coverage Ratio for the University" means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Lawfully Available Funds for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Housing Debt issued and proposed to be issued for such Fiscal Year.

"Debt Service Fund" means, collectively, the Series 2004B Debt Service Fund, the Series 2007 Debt Service Fund and the Series 2013 Debt Service Fund.

"Debt Service Reserve Fund" mean, collectively, the Series 2004B Debt Service Reserve Fund, the Series 2007 Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund.

"Debt Service Reserve Fund Requirement" means, collectively, the Series 2004 Debt Service Reserve Fund Requirement, the Series 2007 Debt Service Reserve Fund Requirement and the Series 2013 Debt Service Reserve Fund Requirement.

"Default or Delay Rental" means and shall consist of (i) all amounts, fees or expenses which the Corporation may be legally obligated to pay to Other Parties by reason of any default of the Board hereunder or any delay in payment of any sums due by the Board hereunder; and (ii) all costs, expenses and charges, including reasonable Legal Expenses, incurred by the Corporation whether by suit or otherwise, in collecting sums payable hereunder or in enforcing any covenant or agreement of the Board contained in this Facilities Lease or incurred in obtaining possession of the Facilities after default by the Board.

"Encumbrance" means any lien, mortgage, encumbrance, privilege, charge, option, right of first refusal, conditional sales contract, security interest, mechanic's and materialmen's liens, or any lien or encumbrance securing payment of any Claims, including environmental Claims, or of any charges for labor, materials, supplies, equipment, taxes, or utilities, excluding the Option granted to the Board herein.

"Environmental Requirements" means all State, federal, local, municipal, parish, and regional laws, statutes, rules, regulations, ordinances, codes, permits, approvals, plans, authorizations, concessions, investigation results, guidance documents; all legislative, judicial, and administrative judgments, decrees, orders, rules, rulings, and regulations; and all agreements and other restrictions and requirements in effect on or prior to the Commencement Date, of any Governmental Authority, including, without limitation, federal, state, and local authorities, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, or pollutants, and including without limitation the following environmental laws: The Clean Air Act (42 U.S.C.A. §1857); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901); CERCLA, as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601); the Clean Water Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §30); the Occupational Safety and Health Act (29 U.S.C. §651); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §135); the Louisiana Environmental Quality Act (La. R.S. 30:2001); and the Louisiana Air Quality Regulations (La. C. 33:III.2595) including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

"Event of Default" means any default specified in and defined as such by Section 21 hereof.

"Existing Facilities Lease" means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation.

"Existing Ground Lease" means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation.

"Expiration Date" means the earlier of August 1, 2047, or the date that all amounts owed under the Indenture have been paid.

"Extraordinary Rental" means the amounts specified as such in Section 6(j) of this Facilities Lease.

"Facilities" means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached to the Ground Lease, as amended and supplemented in accordance with the provisions of the Agreement, which were renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds.

"Facilities Lease" means the Existing Facilities Lease as supplemented and amended by this Third Supplemental Facilities Lease, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

"Fiscal Year" means the fiscal year of the State, which at the date of this Facilities Lease is the period from July 1 to and including the following June 30.

"Governmental Authority" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"Governmental Regulations" means any and all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation reports, guidelines, and requirements or accreditation standards of any Governmental Authority having jurisdiction over the Corporation and/or the Board, or affecting the Facilities.

"Ground Lease" means the Existing Ground Lease, as supplemented and amended by the Third Supplemental Ground Lease.

"Hazardous Substance" means (a) any "hazardous substance" as defined in §101(14) of CERCLA or any regulations promulgated thereunder; (b) petroleum and petroleum by-products; (c) asbestos or asbestos containing material ("ACM"); (d) polychlorinated biphenyls; 1 urea formaldehyde foam insulation; or (f) any additional substances or materials which at any time are classified, defined or considered to be explosive, corrosive, flammable, infectious, radioactive, mutagenic, carcinogenic, pollutants, hazardous or toxic under any of the Environmental Requirements.

"Indenture" means, collectively, (i) the Series 2004 Indenture as supplemented and amended by the Series 2013 Indenture and (ii) the Series 2007 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

"Interest Payment Date" or "interest payment date," when used with respect to the Series 2004B Bonds that bear interest at a Fixed Rate, the Series 2007 Bonds and the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014, when used with respect to Auction Rate Bonds, means the Business Day following each Auction Date, and with respect to Variable Rate Bonds, means the dates set forth in the supplemental indenture executed in connection with the applicable Variable Rate Conversion.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"Land" means the real property more particularly described on Exhibit A attached to the Ground Lease upon which certain existing facilities were demolished and upon which the Facilities were renovated, constructed and located.

"Lawfully Available Funds" means, collectively, the Series 2004 Lawfully Available Funds and the Series 2007 Lawfully Available Funds.

"Legal Expenses" means the reasonable fees and charges of attorneys and of legal assistants, paralegals, law clerks and other persons and entities used by attorneys and under attorney supervision and all costs incurred or advanced by any of them irrespective of whether incurred in or advanced prior to the initiation of any legal, equitable, arbitration, administrative, bankruptcy, trial or similar proceedings and any appeal from any of same.

"Litigation Expenses" means all out-of-pocket costs and expenses incurred as a result of a Default, or in connection with an indemnification obligation, including Legal Expenses, the reasonable fees and charges of experts and/or consultants, and all court costs and expenses.

"Management Agreement" means any Management Agreement or similar agreement, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

"Management Company" the Person serving as manager under any Management Agreement.

"Management Fee" means the fee, if any, owed to any Management Company pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

"Maximum Annual Debt Service" with respect to a series of Bonds issued under the Indenture, means the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or subject to mandatory sinking fund redemption.

"Net Revenues of the Housing Facilities" means, with respect to any period, the excess of the Rents (determined on a cash basis) over Operating Expenses (before extraordinary items) of the Series 2004 Facilities and any Additional Housing Facilities, determined in accordance with generally accepted accounting principles, and excluding: (a) any profits or losses on the sale or disposition, not in the ordinary course of business, of investments or fixed or capital assets or resulting from the early extinguishment of debt; (b) gifts, grants, bequests, donations and contributions, to the extent specifically restricted by the donor to a particular purposes inconsistent with their use for the payment of Annual Debt

Service on the Series 2004B Bonds, the Series 2013 Bonds or Additional Housing Debt; and (c) the net proceeds of insurance (other than business interruption insurance) and condemnation awards.

“Notice” shall have the meaning set forth in Section 51 hereof.

“Operating Expenses” means, with respect to the Series 2004 Bonds and the Series 2013 Bonds, the current expenses of operation, maintenance and current repair of the Series 2004 Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Series 2004 Facilities and the ownership thereof by the Board, payments with respect to worker’s compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Issuer (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Series 2004 Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. “Operating Expenses” will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Series 2004 Bonds or Series 2013 Bonds; (3) any allowance for depreciation or replacements of capital assets of the Series 2004 Facilities; or (4) amortization of financing costs.

“Option to Purchase” or “Option” means the option to purchase the Corporation’s interest in the Facilities granted in Section 23 of this Facilities Lease.

“Other Parties” means a Person other than the Parties.

“Parties” means, collectively, the Corporation and the Board.

“Permitted Sublessees” means, collectively, the Series 2004 Permitted Sublessees and the Series 2007 Permitted Sublessees.

“Permitted Use” means, (i) with respect to the Series 2004 Facilities, the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Series 2004 Permitted Sublessees and for purposes related to or associated with the foregoing and (ii) with respect to the Series 2007 Facilities, the operation of the Series 2007 Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Series 2007 Permitted Sublessees and for purposes related to or associated with the foregoing.

“Person” means all juridical persons, whether corporate or natural, including individuals, firms, trusts, corporations, associations, joint ventures, partnerships, and limited liability companies or partnerships.

“Principal Payment Date” means each August 1, commencing August 1, 2014.

“Project Fund” means the fund of that name created under the Indenture.

“Receipts Fund” means, collectively, the Series 2004 Receipts Fund and the Series 2007 Receipts Fund.

“Remediation” means any and all costs incurred due to any investigation of the Facilities or any remediation, response, cleanup, removal, or restoration required by any Governmental Regulation or Governmental Authority or by Environmental Requirements.

“Rental” means and includes the Base Rental and Additional Rental.

“Rents” means all revenues actually received from any source by, or on behalf the Board or the University with respect to the Series 2004 Facilities and any Additional Housing Facilities, including without duplication, all collected rents and other charges for the use or occupancy of the Series 2004 Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Series 2004 Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants’ security deposits unless and until applied in satisfaction of tenants’ obligations as provided for in the Management Agreement and excluding refunds and reimbursements due to students in accordance with University policy.

“Replacement Fund” means, collectively, the Series 2004 Replacement Fund and the Series 2007 Replacement Fund.

“Series 2004 Agreement” means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“Series 2004 Bonds” means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

“Series 2004A Bonds” means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, initially bearing interest at the Fixed Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$60,985,000, including such Series 2004A Bonds issued in exchange for other such Series 2004A Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004A Bonds pursuant to the Indenture.

“Series 2004B Bonds” means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B, initially bearing interest at the Auction Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$15,000,000, including such Series 2004B Bonds issued in exchange for other such Series 2004B Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004B Bonds pursuant to the Indenture.

“Series 2004 Bond Insurer” means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

“Series 2004 Debt Service Fund” means the Debt Service Fund created pursuant to the Series 2004 Indenture.

“Series 2004 Debt Service Reserve Fund” means the Debt Service Reserve Fund created pursuant to the Series 2004 Indenture.

“Series 2004 Debt Service Reserve Fund Requirement” means, with respect to the Series 2004B Bonds, the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue

discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2004 Facilities*” means the student housing and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2004 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Lawfully Available Funds*” means all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, including Rents.

“*Series 2004 Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Series 2004 Facilities for a period of one (1) month or less pursuant to a concession or other housing arrangement with the University.

“*Series 2004 Receipts Fund*” means the Receipts Fund created pursuant to the Series 2004 Indenture.

“*Series 2004 Replacement Fund*” means the Replacement Fund created pursuant to the Series 2004 Indenture.

“*Series 2007 Agreement*” means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2007 Bonds, and any successor thereto.

“*Series 2007 Bonds*” means, collectively, the Series 2007A Bonds and the Series 2007B Bonds.

“*Series 2007A Bonds*” means the Issuer’s \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A

“*Series 2007B Bonds*” means the Issuer’s \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

“*Series 2007 Debt Service Fund*” means the Debt Service Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Debt Service Reserve Fund*” means the Debt Service Reserve Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Debt Service Reserve Fund Requirement*” means, with respect to the Series 2007 Bonds, the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average

Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2007 Facilities*” means the parking and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2007 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Lawfully Available Funds*” means, collectively, the Auxiliary Revenues and the Student Fee Revenues, as designated by the Board in its budget process to make Rental payments.

“*Series 2007 Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Series 2007 Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

“*Series 2007 Receipts Fund*” means the Receipts Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Replacement Fund*” means the Replacement fund created pursuant to the Series 2007 Indenture.

“*Series 2013 Agreement*” means the First Supplemental Loan Agreement dated as of November 1, 2013, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2013 Bonds*” means the Issuer’s \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

“*Series 2013 Debt Service Fund*” means the Series 2013 Debt Service Fund created pursuant to the Series 2013 Indenture.

“*Series 2013 Debt Service Reserve Fund*” means the Series 2013 Debt Service Reserve Fund created pursuant to the Series 2013 Indenture.

“*Series 2013 Debt Service Reserve Fund Requirement*” means, with respect to the Series 2013 Bonds, one-half (1/2) of the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2013 Indenture*” means that certain First Supplemental Trust Indenture by and between the Trustee and the Issuer dated as of November 1, 2013, supplementing and amending the Series 2004 Indenture.

B-76

"*Stadium Expansion*" means the Football Stadium Improvements described in Exhibit A hereto, as amended and supplemented in accordance with the provisions of the Agreement.

"*Stadium Expansion Land*" means the real property more particularly described on Exhibit A to the Ground Lease upon which the Stadium Expansion were renovated, constructed and located.

"*State*" means the State of Louisiana.

"*Student Fee*" means the student parking garage fee assessed on all University students for the planning, building and maintaining of a University parking garage, as designated by the Board in its budget process to make Rental payments with respect to the Series 2007 Bonds. The referendum for the fee of \$20.00 per semester and \$10.00 each summer was voted on and passed by students at the University on October 24-26, 2005.

"*Student Fee Revenues*" means the amount of all funds or revenues held by the University derived by the Student Fee.

"*Term*" means the term of this Facilities Lease, as provided in Section 2 hereof.

"*Third Supplemental Facilities Lease*" means that certain Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 by and between the Corporation and the Board.

"*Third Supplemental Ground Lease*" means this Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 by and between the Board and the Corporation.

"*Trustee*" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture.

"*University*" means Southeastern Louisiana University in Hammond, Louisiana.

Section 2. Agreement to Lease; Term of Lease. The Corporation hereby leases the Facilities to the Board, and the Board hereby leases the Facilities from the Corporation effective as of the Commencement Date of this Facilities Lease and agrees upon completion of construction of the Facilities to accept possession of the Facilities and agrees to pay the Base Rental, the Additional Rental and the Extraordinary Rental as provided herein for the use and occupancy of the Facilities, all on the terms and conditions set forth herein. The Board agrees that it will take immediate possession of the Facilities. The Term of this Facilities Lease begins on the Commencement Date and ends on the Expiration Date; provided, however, this Facilities Lease shall terminate prior to the Expiration Date upon the happening of any of the following events:

(a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture;

(b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation's interest in the Facilities pursuant to the Option; or

(c) any other event described in this Facilities Lease which is specifically stated to cause a termination of this Facilities Lease, including without limitation a Default by the Board, and the failure of the Board to appropriate or cause to be appropriated an amount necessary to pay the Base Rental, all as set forth in Sections 21 and 29 hereof.

Upon the termination of the Facilities Lease under the circumstances set forth in Section 2(a) above, at the Board's option, the Board may require the demolition of the Facilities as set forth in Section 12.02 of the Ground Lease.

Section 3. Acknowledgments, Representations and Covenants of the Board. The Board represents, covenants and agrees as follows:

(a) The Board has full power and authority to enter into this Facilities Lease, the Ground Lease, and the transactions contemplated thereby and agrees to perform all of its obligations hereunder and under the Ground Lease;

(b) The Board has been duly authorized to execute and deliver this Facilities Lease and the Ground Lease and further represents and covenants that this Facilities Lease and the Ground Lease constitute the valid and binding obligations of the Board and that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Facilities Lease and the Ground Lease and the Board has complied with all constitutional and other statutory requirements as may be applicable to the Board in the authorization, execution, delivery and performance of this Facilities Lease and the Ground Lease;

(c) The execution and delivery of this Facilities Lease and the Ground Lease, and compliance with the provisions hereof, will not conflict with or constitute on the part of the Board a violation of, breach of, or default under any constitutional provision, statute, law, resolution, bond indenture or other financing agreement or any other agreement or instrument to which the Board is a party or by which the Board is bound, or any order, rule or regulation of any court or Governmental Authority or body having jurisdiction over the Board or any of its activities or properties with respect to the Facilities; and all consents, approvals or authorizations required of the Board for the consummation of the transactions contemplated hereby have been obtained or timely will be obtained;

(d) Other than that which was previously disclosed, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Board, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease and the Ground Lease;

(e) The Board will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes;

(f) The Board agrees to cause the Facilities to be used for the Permitted Use and shall not allow the Facilities to be used for any other use. No more than five percent (5%) of the gross area of the Facilities will be subleased by the Board or by any sublessees or assigns of the Board to, or otherwise used by, private business and the Board agrees to take all action, to the extent it is legally authorized and able to do so, necessary to prevent the Bonds from being deemed "private activity bonds" within the meaning of Section 141 of the Code.

B-77

(g) (i) The use of the Series 2004 Facilities is essential to the operation of the University by providing modern housing and related facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Series 2004 Lawfully Available Funds for use of the Series 2004 Facilities. There are no alternative facilities available for use as contemplated for the Facilities since there is currently a shortage of available, modern on-campus housing at the University.

(ii) The use of the Series 2007 Facilities is essential to the operation of the University by providing modern intermodal parking facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Series 2007 Lawfully Available Funds for use of the Series 2007 Facilities. There are no alternative facilities available for use as contemplated for the Series 2007 Facilities.

(h) (i) The Board hereby covenants and agrees to maintain a Debt Service Coverage Ratio for the Housing Facilities of not less than 1.10:1.00 and a Debt Service Coverage Ratio for the University of not less than 1.25:1.00. The Board covenants that, as long as any bonds, notes or lease obligations remain outstanding that are payable from Series 2004 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Housing Facilities falls below 1.10:1.00 or the Debt Service Coverage Ratio for the University falls below 1.25:1.0, the Board shall use its best efforts to raise its fees, rentals, rates and charges relating to the Series 2004 Facilities so that within two (2) full semesters after either of the Debt Service Coverage Ratio for the Housing Facilities or the Debt Service Coverage Ratio of the University becomes deficient, the Debt Service Coverage Ratio for the Housing Facilities equals 1.10:1.00 and the Debt Service Coverage Ratio for the University equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Housing Facilities is still below 1.10:1.00 or the Debt Service Coverage Ratio for the University is still below 1.25:1.0, the Board shall hire an outside consultant, approved by the Series 2004 Bond Insurer, and the Board shall follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Series 2004 Facilities, including raising fees and rents, reducing expenses and, if necessary, increasing the average occupancy rate through strict enforcement of parietal rules requiring students to reside on campus and, to the extent legally possible, revising parietal rules to increase the number of students required to reside on campus. So long as the Board is working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio for the Housing Facilities or any deficient Debt Service Coverage Ratio of the University, there shall not be an Event of Default hereunder unless (i) the Debt Service Coverage Ratio for the Housing Facilities is less than 1.00:1.00 at the end of any Fiscal Year or (ii) the Debt Service Coverage Ratio of the University is less than 1.10 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees, rentals, rates and charges and calculating the Debt Service Coverage Ratio for the Housing Facilities and the Debt Service Coverage of the University for this Section, the Board shall take into account payments required to be made into the Series 2004 Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund pursuant to the Series 2004 Indenture, as supplemented and amended by the Series 2013 Indenture. The Board further covenants that it will seek any required approval necessary in order to comply with this covenant.

(ii) The Board covenants that, as long as any bonds, notes, or lease obligations remain outstanding that are payable from Series 2007 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Parking Facilities shall fall below 1.25:1.0, the Board will use its best efforts to continue to levy and collect the fees and charges relating to the Series 2007 Facilities so that within two (2) full semesters after the Debt Service Coverage Ratio for the Parking Facilities shall become deficient, the Debt Service Coverage Ratio for the Parking Facilities equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Parking Facilities shall remain below 1.25:1.0, the Board will be required to hire an outside consultant, approved by the Series 2007 Bond Insurer, and the Board will be required to follow any reasonably feasible recommendations of such consultant regarding

the operation and management of the Series 2007 Facilities. So long as the Board shall be working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio for the Parking Facilities, there will not be an Event of Default under this Facilities Lease unless (i) the Debt Service Coverage Ratio for the Parking Facilities shall be less than 1.25 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees and charges and calculating the Debt Service Coverage Ratio for the Parking Facilities, the Board will be required to take into account payments required to be made into the Series 2007 Debt Service Reserve Fund pursuant to the provisions of the Series 2007 Indenture. The Board will further covenant that it will seek any required approval necessary in order to comply with the covenant described under this subheading.

(i) (i) The University will not build, acquire or renovate any similar student housing facilities, whether such facilities are owned by the University or a private entity, unless (A) the Series 2004 Facilities have met a Debt Service Coverage Ratio for the Housing Facilities of at least 1.25:1.00 for the prior Fiscal Year, (B) the Series 2004 Facilities are projected to meet a Debt Service Coverage Ratio of at least 1.25:1.00 for the Housing Facilities for the two Fiscal Years following the projected completion of the proposed facility and (C) based on a market analysis prepared by a market research company with experience in student or multi-family housing, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Series 2004 Facilities. Such additional student housing facilities owned or leased by the Board or the Corporation shall be incorporated with the Series 2004 Facilities into a single housing system so that such additional student housing facilities and all revenues derived therefrom shall secure the Bonds, and the Series 2004 Facilities and the revenues derived therefrom, including all revenues derived from the Facilities Lease, will secure any debt incurred to finance such additional student housing facilities. In addition, the Mortgage (as defined in the Series 2004 Indenture) shall be amended to encumber any such Additional Housing Facilities and any revenues derived therefrom to secure the Series 2004 Bonds and any debt incurred to finance such Additional Housing Facilities. So long as the Series 2004 Bonds are outstanding, the consent of the Series 2004 Bond Insurer shall also be required prior to the construction, acquisition or renovation of such student housing facilities unless (A) - (C) above have been satisfied.

(ii) Without the prior written consent of the Series 2007 Bond Insurer, the University will not build, acquire or renovate any similar parking facilities, whether such facilities are owned by the University or a private entity, unless (i) the Debt Service Coverage Ratio for the Parking Facilities for the prior Fiscal Year has been met, (ii) the Debt Service Coverage Ratio for the Parking Facilities is projected to be met for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in university parking facilities, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Series 2007 Facilities.

(j) So long as any Series 2004 Bonds remain outstanding, the University shall maintain its policy of requiring all unmarried, full-time undergraduate students with less than 60 credit hours to live in on-campus residence halls. It is understood that the University currently permits certain exceptions to that policy and, except as set forth in Section 4(h) above, the University may continue to permit those exceptions but it shall make no voluntary revisions to such policy that would reduce the number of students required to live in on-campus residence halls (including, without limitation, reducing the number of credit hours to less than 60, increasing the course-load required for status as a "full-time" student or modifying any existing exemptions from the policy), until the Series 2004 Bonds have been paid in full or the Series 2004 Bond Insurer consents in writing to a change in such policy.

(k) So long as any Series 2004 Bonds remain outstanding, the University shall actively promote the Series 2004 Facilities as a housing alternative and an integral part of the housing system of

the University. The University shall, among other things, provide housing brochures to prospective students and allow signs to be posted to promote the Series 2004 Facilities.

Section 4. Representations and Covenants of the Corporation. The Corporation makes the following representations and covenants:

(a) The Corporation has been validly created under the Louisiana Nonprofit Corporation Law, is currently in good standing under the laws of the State, has the power to enter into the transactions contemplated by, and to carry out its obligations under this Facilities Lease, the Ground Lease and the Agreement. The Corporation is not in breach of or in default under any of the provisions contained in any contract, instrument or agreement to which it is a party or in any other instrument by which it is bound. By proper action, the Corporation has been duly authorized to execute and deliver this Facilities Lease, the Ground Lease and the Agreement;

(b) The execution and delivery of this Facilities Lease, the Ground Lease and the Agreement, and compliance with the provisions thereof and hereof, will not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under any statute, indenture, mortgage, declaration or deed of trust, loan agreement or other agreement or instrument to which the Corporation is a party or by which the Corporation is bound or any order, rule or regulation of any court or Governmental Agency or body having jurisdiction over the Corporation or any of its activities or properties; and all consents, approvals and authorizations which are required of the Corporation for the consummation of the transactions contemplated thereby and hereby have been or timely will be obtained;

B-79 (c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease, the Ground Lease or any agreement or instrument to which the Corporation is a party;

(d) The Corporation will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes.

(e) No bonds, notes or other obligations secured by Series 2007 Lawfully Available Funds may be issued except as Additional Bonds. Additional Bonds may be issued secured by Series 2007 Lawfully Available Funds which will be on a parity with the Series 2007 Bonds only as and to the extent authorized and described in the Series 2007 Indenture, provided that, at the time of issuance thereof, no Event of Default or event which with notice or lapse of time, or both, would constitute an Event of Default shall have occurred and be continuing. The issuance of Additional Bonds is permitted as follows:

(A) Additional Bonds on a parity with the Series 2007 Bonds may be issued with the prior approval of the Series 2007 Bond Insurer but without the need for prior approval of the Bondholders.

(B) Bonds issued to refund the Series 2007 Bonds in their entirety may be issued without the need for prior approval of the Bondholders or the Series 2007 Bond Insurer.

Section 5. Waiver and Disclaimer of Warranties.

(a) The Board acknowledges that the Corporation has not made any representations or warranties as to the suitability or fitness of the Facilities for the needs and purposes of the Board or for any other purpose.

(b) The Board further declares and acknowledges that the Corporation in connection with this Facilities Lease, does not warrant that the Facilities will be upon completion of construction free from redhibitory or latent defects or vices and releases the Corporation of any liability for redhibitory or latent defects or vices under Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695. The Board declares and acknowledges that it does hereby waive the warranty of fitness for intended purposes and guarantee against hidden or latent redhibitory defects and vices under Louisiana law, including Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695, and the warranty imposed by Louisiana Civil Code Articles 2476 and 2695, and waives all rights in redhibition pursuant to Louisiana Civil Code Articles 2520, et seq. The Board further declares and acknowledges that this waiver has been brought to the attention of the Board and explained in detail and that the Board has voluntarily and knowingly consented to this waiver of warranty of fitness and/or warranty against redhibitory defects and vices for the Facilities. Notwithstanding the foregoing, the Board hereby retains all of its rights to proceed against any third parties with respect to such defects.

(c) The Corporation disclaims and the Board waives any warranties and representations with respect to compliance with Governmental Regulations, including Environmental Requirements, or the disposal of, or existence in, on, under, or about the Facilities of any Hazardous Substance. The Board acknowledges that the Corporation reserves in this Facilities Lease all rights to recover from the Board all costs and expenses imposed on the Corporation to bring the Facilities into compliance with any Environmental Requirement, and all costs of Remediation or cleanup of such Hazardous Substance imposed on the Corporation or the Board, which shall be payable by the Board as Additional Rental hereunder to the extent imposed upon the Corporation.

Section 6. Rental

(a) The Board, for and in consideration of the Corporation entering into the Ground Lease, renovating and/or constructing the Facilities in accordance with the Ground Lease and leasing the Facilities to the Board pursuant to the terms hereof, hereby covenants and agrees to pay the Base Rental and Additional Rental in the amounts, subject to amounts for which the Board is entitled to a credit as described in Section 6(d) hereof, at the times and in the manner set forth herein, such amounts constituting in the aggregate the total of the rental payable under this Facilities Lease. The obligation of the Board to make Base Rental and Additional Rental payments shall commence on the Commencement Date and shall not be subject to abatement, set-off or reduction as a result of a failure by the Corporation to complete construction of the Facilities on a timely basis.

(b) (i) The Board agrees to pay Base Rental with respect to the Series 2004 Bonds and the Series 2013 Bonds from the Series 2004 Lawfully Available Funds. Payments of Base Rental with respect to the Series 2004 Bonds and the Series 2013 Bonds shall be due on the dates and in the amounts as hereinafter provided:

(A) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-third (1/3rd) of the interest due and payable on such Bonds on the February 1, 2014 Interest Payment Date and thereafter, on the 25th day of each month, an amount equal to one-sixth (1/6th) of the interest due and payable on such Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series

2004 Debt Service Fund and the Series 2013 Debt Service Fund will be sufficient to pay interest on such Bonds on such Interest Payment Date;

(B) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, in an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund will be sufficient to pay interest on such Auction Rate Bonds on such Interest Payment Date;

(C) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund will be sufficient to pay interest on such Variable Rate Bonds on such Interest Payment Date;

(D) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-ninth (1/9th) of the principal of the Series 2004 Bonds and the Series 2013 Bonds payable on the August 1, 2014 Principal Payment Date and thereafter, on the twenty-fifth (25th) day of each month, an amount equal to one-twelfth (1/12th) of the principal due and payable on Bonds on the next Principal Payment Date;

(E) On the dates required in the Indenture, to the Trustee for deposit into any of the funds established in the Indenture, including, without limitation, the Series 2004 Debt Service Reserve Fund, the Series 2013 Debt Service Reserve Fund and the Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture; and

(F) Annually, beginning June 25, 2014, an amount equal to \$122,987.38 (representing one-half of one percent (1/2%) of the construction cost of the Facilities), into the Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Series 2004 Bond Insurer.

(ii) The Board agrees to pay Base Rental with respect to the Series 2007 Bonds from Series 2007 Lawfully Available Funds. Payments of Base Rental with respect to the Series 2007 Bonds shall be due on the dates and in the amounts as hereinafter provided:

(A) On the twenty-fifth (25th) day of each month, commencing March 25, 2007, in an amount equal to one-fifth (1/5th) of the interest due and payable on the Series 2007 Bonds on August 1, 2007 and thereafter, on the twenty-fifth (25th) day of each month commencing August 25, 2007, in an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2007 Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2007 Debt Service Fund will be sufficient to pay interest on such Series 2007 Bonds on such Phase Four Interest Payment Date;

(B) On the twenty-fifth (25th) day of each month, commencing March 25, 2007, in an amount equal to one-eleventh (1/11th) of the principal of the Series 2007 Bonds payable on February 1, 2008 and thereafter, on the twenty-fifth (25th) day of each month commencing February 25,

2008, in an amount equal to one-twelfth (1/12th) of the principal of such Series 2007 Bonds payable on the next Phase Four Principal Payment Date;

(C) On the twenty-fifth (25th) day of each month following any drawing on the Series 2007 Debt Service Reserve Fund in accordance with Section 4.18 of the Series 2007 Indenture, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Series 2007 Debt Service Reserve Fund to equal the Series 2007 Debt Service Reserve Fund Requirement within twelve (12) months or (ii) the excess of the Series 2007 Debt Service Reserve Fund Requirement over the amount on deposit in the Series 2007 Debt Service Reserve Fund;

(D) On the dates required in the Series 2007 Indenture, to the Trustee for deposit into any of the funds established in the Series 2007 Indenture, including, without limitation, the Series 2007 Debt Service Reserve Fund and the Series 2007 Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Series 2007 Indenture; and

(E) Annually, beginning June 25, 2009, an amount equal to one-half of one percent (1/2%) of funds available for construction of the Series 2007 Facilities, as determined by the University, into the Series 2007 Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Series 2007 Bond Insurer.

(c) In addition to the Base Rental set forth herein, the Board agrees to pay as Additional Rental any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation on behalf of the Board and/or by the Board or the University in the management, operation, ownership, and/or maintenance of the Facilities, to the extent such expenses are not paid by the Management Company under any Management Contract, including but not limited to the following costs and expenses:

(i) all taxes, assessments and impositions against the Facilities, including without limitation ad valorem taxes attributed to the Corporation on behalf of the Board (and any tax levied in whole or in part in lieu of or in addition to ad valorem taxes);

(ii) any costs incurred by the Corporation in maintaining the Facilities for the Board and making any alterations, restorations and replacements to the Facilities;

(iii) insurance premiums and other charges for insurance obtained with respect to the Facilities including insurance premiums, if any, on all insurance required under the provisions of Section 9 of this Facilities Lease;

(iv) any Default or Delay Rentals;

(v) all costs incurred by the Corporation in connection with its performance of its obligations relating to the Facilities and/or the Land under the Ground Lease and this Facilities Lease;

(vi) all Administrative Expenses owed to the Issuer or the Trustee;

(vii) Litigation Expenses, if any, incurred pursuant to Section 43 hereof;

(viii) any reimbursement amounts payable pursuant to Section 20 hereof or pursuant to any other provision hereof; and

(ix) any other costs, charges, and expenses commonly regarded as ownership, management, maintenance, and operating expenses, if any, incurred by the Corporation under this Facilities Lease.

Amounts constituting Additional Rental payable hereunder shall be paid by the Board directly to the person or persons to whom such amounts shall be due. The Board shall pay all such amounts when due or within thirty (30) days after notice in writing from the Corporation, the Management Company, or the Trustee to the Board stating the amount of the Additional Rental then due and the purpose thereof.

(d) The Board shall be entitled to a credit against and reduction of each Base Rental payment in an amount equal to any amounts derived from the following sources:

(i) Accrued interest derived from the sale of the Bonds;

(ii) Any capitalization of interest from the proceeds of the Bonds contained in the Capitalized Interest Fund under the Indenture;

(iii) the Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement.

(iv) Surplus moneys (including investment earnings) contained in the funds and accounts held by the Trustee under the Indenture, including the Debt Service Fund, the Debt Service Reserve Fund and the Replacement Fund;

(e) Notwithstanding any other provision of the Facilities Lease, the obligation of the Board to make payments under this Facilities Lease, including payments of Base Rental and Additional Rental, shall be subject to, and dependent upon, appropriation of Lawfully Available Funds necessary to make the payments required under this Facilities Lease. The Vice President for Finance and Administration of the Board shall cause the University to include in the Budget and, if necessary, any amendments to the Budget, an amount of Lawfully Available Funds sufficient to make the payments of Base Rental and Additional Rental described herein which amounts may or may not ultimately be appropriated by the Board for such purpose. Subject to the foregoing and Section 29 hereof, the obligations of the Board to make payments pursuant to this Facilities Lease, and to perform and observe the other agreements and covenants on its part contained herein, shall be absolute and unconditional and shall not be subject to any diminution, abatement, set-off, or counterclaim. Subject to the foregoing and Section 29 hereof, until such time as the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with this Facilities Lease, the Board shall not suspend or discontinue payment of Rental or any other payments pursuant to this Facilities Lease for any cause, and shall continue to perform and observe all of its agreements contained in this Facilities Lease. The Corporation and the Board acknowledge and agree that the obligation of the Board to pay Rental shall constitute a current expense of the Board payable by the Board from funds budgeted and appropriated in accordance with law for and in consideration of the right to use the Facilities during the Term and that such obligation shall not in any manner be construed to be a debt of the Board in contravention of any constitutional or statutory limitations or requirements concerning indebtedness of the Board and nothing contained herein shall constitute a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

(f) The payments of Base Rental and Additional Rental under this Facilities Lease for each Fiscal Year or portion thereof during the Term shall constitute the total Rental for such Fiscal Year or portion thereof and shall be paid by the Board for and in consideration of the construction by the

Corporation of the Facilities and the right to the use and occupancy of the Facilities by the Board for and during such Fiscal Year or portion thereof.

(g) Amounts necessary to pay each Base Rental payment shall be deposited by the Board on the dates set forth in Section 6(b) hereof in lawful money of the United States of America at the office of the Trustee or at such other place or places as may be established by the Corporation and/or Trustee in accordance with the Indenture. Any amount necessary to pay any Base Rental payment or portion thereof which is not so deposited shall remain due and payable until received by the Trustee. Notwithstanding any dispute between the Board and the Corporation hereunder, the Board shall make all Rental payments when due and shall not withhold payment of any Rental pending the final resolution of such dispute or for any other reason whatsoever.

(h) This Facilities Lease is intended to be a triple net lease. The Board agrees that the Rental provided for herein shall be an absolute net return to the Corporation free and clear of any expenses, charges, taxes, abatements, counterclaims, reductions or set-offs whatsoever of any kind, character or nature; it being understood and agreed to by the Board that the Board shall bear responsibility for the payment of all costs and expenses associated with the ownership, management, operation, and maintenance of the Facilities. Under no circumstances will the Corporation be required to make any payment on the Board's behalf or for the Board's benefit under this Facilities Lease, or assume any monetary obligation of the Board under this Facilities Lease, or with respect to the Facilities.

(i) The State, through the Division of Administration, is not, at any time whatsoever, obligated, committed or required to provide funds by legislative appropriation or any other means to pay debt service on the Bonds or to support the continued operation and maintenance of the Facilities and Stadium Expansion, it being understood that the portion of the lease payments payable by the Board under this Facilities Lease for payment of debt service on the Bonds are payable solely from the Lawfully Available Funds and the Board is not legally committed, obligated or required to make available any other funds to make the lease payments hereunder.

(j) In addition to the Rental payments required hereby, the Board covenants and agrees to make an Extraordinary Rental payment to refund a portion of the Series 2004 Bonds, from funds on hand or collected by the Board, not to exceed \$9,000,000.

Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service.

(a) The University, at the direction of the Board, shall be responsible for ensuring that all services necessary or required in order to adequately operate the Facilities in accordance with the Permitted Use are provided and maintained. The University shall continuously operate or cause to be operated the Facilities from the Commencement Date and continuing for the remainder of the Term for the Permitted Use, and in accordance with all Governmental Regulations. The Corporation may contract with a Management Company, subject to the approval of the Board, to provide operations and management services for the Facilities. All Rents collected by a Management Company under a Management Agreement shall be deposited in an operating account and transferred daily to the Trustee in accordance with the Indenture.

(b) The University, at the direction of the Board, shall be responsible for maintaining the Facilities and shall make or contract or cause to be made or contracted with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Facilities, including without limitation the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, and foundations, fixtures, equipment, and appurtenances to the Facilities as and when needed to

B
81

preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are at the fault of the Board, the Corporation or some Other Party. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class presently located in the Facilities.

(c) The University, at the direction of the Board, shall have the right during the Term to cause the Corporation or some other Party to make or construct any additions or improvements to the Facilities, alter the Facilities, attach fixtures, structures, or signs to or on the Facilities, and affix personal property to the Facilities without the Corporation's prior written consent to the extent allowed under the terms of any insurance covering the Facilities. All such alterations, improvements, additions, attachments, repairs, restorations, and replacements of all or any portion of the Facilities shall (i) be at the sole cost and expense of the University; (ii) not reduce the then fair market value of the Facilities; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations.

(d) The University, at the direction of the Board, shall provide or cause to be provided all security service, custodial service, janitorial service, trash disposal, and all other services necessary for the proper upkeep and maintenance of the Facilities as required herein. The Board acknowledges that the Corporation has made no representation or warranty with respect to systems and/or procedures for the security of the Facilities, any persons occupying, using or entering the Facilities, or any equipment, furnishings, or contents of the Facilities. It is the sole responsibility of the Board, through the University to cause to be provided or to provide for the security of persons on or entering the Facilities and/or property located at the Facilities, in accordance with reasonable and prudent business practices.

B-82 Section 8. Utilities. All utilities which are used or consumed in or upon or in connection with the Facilities during the Term, including, without limitation water, gas, electricity, sewerage, garbage, or trash removal, light, cable, heat, telephone, power, computer data and other utilities necessary for the operation of the Facilities (the "Utility Service") shall be the responsibility of the Board and/or the students, faculty, staff or Permitted Sublessees residing in the Facilities. Payments for Utility Services provided to the entire Facilities or to the common areas of the Facilities under such contract or contracts therefor as the Board may make shall be made by the Board directly to the respective utility companies furnishing such Utility Services.

The Corporation shall have no responsibility to the Board for the quality or availability of Utility Service to the Facilities, or for the cost to procure Utility Service. The Corporation shall not be in Default under this Facilities Lease or be liable to the Board or any other Person for direct or consequential damage, or otherwise, for any failure in supply of any Utility Service, heat, air conditioning, elevator service, cleaning service, lighting, security, or for surges or interruptions of electricity.

Section 9. Insurance.

(a) The University, at the direction of the Board, shall cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Facilities against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance shall be not less than the full replacement cost of the Facilities, without deduction for depreciation. In the event that the Facilities are not repaired or replaced, insurance proceeds shall be no greater than the actual cash value (replacement cost less depreciation) of the Facilities at the

time of the loss. The policy shall be adjusted to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the Corporation in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(v) A policy of rental interruption insurance in the amount of at least one (1) year's rental in the event of loss of or damage to the Series 2004 Facilities.

(b) The Corporation shall:

(i) cause to be secured and maintained a policy of title insurance insuring the Corporation's leasehold interest under the Ground Lease in an amount equal to the par amount of the Bonds; and

(ii) cause all of the construction professionals to secure and maintain:

- (A) Comprehensive or Commercial General Liability insurance;
- (B) Errors and Omissions insurance;
- (C) Automobile Liability insurance;
- (D) Worker's Compensation insurance;
- (E) an all Risk Builder's Policy upon the construction on the Property; and
- (F) boiler and machinery or additional property insurance;

all as required by the terms of any construction contracts entered into with regards to the demolition of certain existing facilities and the renovation, development and construction of the Facilities.

All insurance required in this Section and all renewals of such insurance (excepting self-insurance or commercial insurance, through ORM) shall be issued by commercial insurers authorized to transact

business in the State, and rated at least A- by Best's Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody's. All insurance policies provided or caused to be provided by the Corporation shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to the University and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the Corporation or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University is obligated to maintain according to this Facilities Lease (other than any policy of worker's compensation insurance) will name the Corporation, the Trustee and such other Persons or firms as the University may be required to name from time to time as additional insureds and shall expressly provide that the policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Corporation and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the University or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University shall be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured with respect to destruction of or damage to any portion of the Facilities by fire, earthquake or other casualty or event shall be paid to the Trustee (or, in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of Section 11 of this Facilities Lease and the Indenture.

The Corporation shall certify annually to the Series 2004 Bond Insurer and the Series 2007 Bond Insurer that all insurance policies required by this Section 9 are as of the date of such certification in place and in effect.

Section 10. Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively "Expropriation") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

Section 11. Application of Insurance Proceeds; Condemnation Award. (a) If during construction, all or any portion of the Facilities is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof, provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Facilities by the Board on behalf of the Corporation, the Board shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in trust (or in the case of self-insurance through ORM, as set forth in paragraph

(b) below), and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee in accordance with the terms of the Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore or replace the Facilities, the proceeds shall be paid to the Board for immediate delivery to Trustee and used to redeem the Outstanding Bonds.

Notwithstanding the foregoing, the Corporation's obligation to replace the Facilities in the event of Expropriation Proceedings is dependent on the Board entering into a lease with a different portion of the Campus as provided in Section 13.03 of the Ground Lease. In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities, the Corporation and the Board agree to amend or enter into a new Facilities Lease and Ground Lease in accordance with Sections 13.03 of the Ground Lease. In the event the Board, pursuant to the Ground Lease, decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Bonds in accordance with the terms of the Indenture, and this Facilities Lease and the Ground Lease shall terminate on the date that the events described in Section 2(a) or 2(b) hereof have occurred.

(b) In the event that ORM insures the Facilities, the Board shall use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 12. Encumbrances.

(a) Payment by the Board. The Board shall pay or cause to be paid all costs and charges for alterations, improvements, additions, repairs and maintenance ("Work") (i) done by the Board or caused to be done by the Board in or to the Facilities, and (ii) for all materials furnished for or in connection with such Work. The Corporation reserves all rights to collect for any loss or damage sustained or incurred by the Corporation resulting from any and all Encumbrances, demands or liabilities arising on account of the Work, which shall be payable by the Board as Additional Rent hereunder.

(b) Failure to Discharge. If the Board fails to pay any charge for which an Encumbrance has been filed, and the Facilities or any portion thereof is placed in imminent danger of being seized, the Corporation may, but shall not be obligated to, pay such charge and related costs and interest, and the amount so paid, together with reasonable Legal Expenses incurred in connection with such Encumbrance, will be immediately due from the Board to the Corporation as Additional Rental. Nothing contained in

this Facilities Lease will be deemed the consent or agreement of the Corporation to subject the Corporation's interest in the Facilities to liability under any Encumbrance, or any mechanics', materialman's or other lien law. If the Board receives written notice that an Encumbrance has been or is about to be filed against the Facilities, or that any action affecting title to the Facilities has been commenced on account of Work done by or for the Board or for materials furnished to or for the Board, it shall immediately give the Corporation Notice of such notice.

(c) Notice of Work. At least fifteen (15) days prior to the commencement of any Work in or to the Facilities, by or for the University, the University shall give the Corporation Notice of the proposed Work and the names and addresses of the Persons supplying labor and materials for the proposed Work. The Corporation will have the right to post notices of nonresponsibility or similar written notices on the Facilities in order to protect the Facilities against any such claimants.

Section 13. Assignment and Sublease. (a) Neither this Facilities Lease nor any interest of the Board in the Facilities shall be mortgaged, pledged, assigned or transferred by the Board by voluntary act or by operation of law, or otherwise; provided, however, the Board may sublease all or any portion of the Facilities, or grant concessions involving the use of all or any portion of the Facilities, whether such concessions purport to convey a leasehold interest or a license to use all or a portion of the Facilities to any University student, faculty, staff or Permitted Sublessee. No such concession, leasehold interest or license to use the Facilities shall be granted to any University students, faculty or staff for a term of more than one (1) year, or to any Permitted Sublessee for a term of more than one (1) month. The Board shall, however, at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Facilities Lease (including, without limitation, the payment of Base Rental and Additional Rental), notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the Board from its obligations to pay Base Rental and Additional Rental as provided in this Facilities Lease or to relieve the Board from any other obligations contained herein. Other than subleases to University students, faculty, staff and Permitted Sublessees, in no event will the Board sublease or permit the use of all or any part of the Facilities to any person without an opinion of Bond Counsel that such will not cause interest on the Bonds to be included in the gross income of the owners of the Series 2004A Bonds and the Series 2004B Bonds for federal income tax purposes.

(b) The Corporation shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Facilities Lease, including without limitation its right to receive Base Rental payable hereunder, to the Issuer pursuant to the Agreement, and the Issuer will in turn assign its rights under this Facilities Lease to the Trustee pursuant to the Indenture. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith. Anything required or permitted to be done by the Corporation under this Facilities Lease may be done by the Trustee under the Indenture.

(c) Except as set forth in Section 13(b) hereof, the Corporation shall not sell or assign its interest in the Facility or this Facilities Lease without the prior written consent of the Board.

Section 14. Additions and Improvements Removal. At the expiration of the Term, or termination of this Facilities Lease, all alterations, fixtures, improvements and additions made by the Board or the University and all equipment placed upon the Facilities that are incorporated into or made into component parts of the Facilities, as well as, title to all property, furniture, equipment, fixtures, and other property installed at or placed upon the Facilities by the Board which is not incorporated into or made a component part of the Facilities remain the property of the Board.

The Board hereby agrees to replace such property from time to time as such property becomes worn out, obsolete, inadequate, unsuitable or undesirable. The Board may add to or remove such property from time to time, and upon expiration of the Term, provided that the Board repairs any damage to the Facilities caused by such removal.

Section 15. Right of Entry. Representatives of the Corporation and the Bond Insurer shall, subject to reasonable security precautions, and upon giving the Board not less than twenty-four (24) hours advance Notice, have the right to enter upon the Facilities during reasonable business hours (and in emergencies without notice and at all times) accompanied by a Board Representative (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Corporation under this Facilities Lease, or (iii) for all other lawful purposes. Any right of access to any portion of the Facilities leased to the students, faculty, staff or Permitted Sublessees shall be subject to their rights pursuant to their rental agreements and University policy.

Section 16. Mortgage Prohibition. Except as set forth in the Indenture, the Ground Lease and the Agreement, the Corporation shall not be entitled to mortgage or grant a security interest in the Facilities.

Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest. If a person other than the Corporation shall succeed to the rights of the Corporation hereunder (in any case with the prior written consent of the Board as required hereby), upon the declaration of the successor to the Corporation's interest in this Facilities Lease, the Board agrees to fully attorn to and recognize any such successor as the Board's landlord under this Facilities Lease upon the then existing terms of this Facilities Lease, provided that such successor shall agree in writing to accept the Board's attornment and not to disturb the Board's possession so long as the Board shall observe the provisions and all covenants of this Facilities Lease. This attornment provision shall inure to the benefit of any such successor and shall be self-operative upon the election and declaration by such successor, and no further instrument shall be required to give effect to the provisions. However, the Board agrees to evidence and confirm the foregoing attornment provisions by the execution and delivery of instruments in recordable form satisfactory to such successor.

If the Facilities, or any part thereof, shall be sold or otherwise transferred by sale, assignment, transfer or other contract, or by operation of law or otherwise (with the prior written consent of the Board as required hereby and with an opinion of Bond Counsel that such action will not cause interest on the Bonds to be included in the gross income of the owner of the Bonds for federal tax purposes), and if such written consent specifically so provides, the Corporation shall be automatically and entirely released and discharged to the extent of the interest in or the portion of the Facilities sold, assigned or transferred from and after the effective date of such sale, assignment or transfer of all liability for the performance of any of the covenants of this Facilities Lease on the part of the Corporation thereafter to be performed. The purchaser or other transferee of the Facilities shall be deemed to have agreed to perform such covenants of the Corporation from and after the date of such assignment or sale during such transferee's period of ownership of the Corporation's interest under this Facilities Lease, all without further agreement between the Corporation, its successor and the Board. The Corporation's transferee shall not be held responsible for the performance of any of the covenants of this Facilities Lease on the part of the Corporation required to be performed prior to such sale and transfer, the Board reserving its rights against the Corporation for any unperformed covenants prior to such sale or transfer.

Section 18. Quiet Enjoyment. The Corporation covenants that the Board, on paying the Rental and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Board or the University, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Facilities during the Term and may exercise all of its rights hereunder; and the

Corporation agrees to warrant and forever defend the Board's right to such occupancy, use, and enjoyment and the title to the Facilities against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Facilities Lease.

Section 19. Environmental Compliance and Indemnity.

(a) *Environmental Compliance.* The Board or the University shall operate or cause to be operated the Facilities in compliance with all Environmental Requirements continuously during the Term, and for such periods of time prior to the Commencement Date and after the Expiration Date, as long as the Board is in possession of the Facilities, in whole or in part. The Board shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Facilities or the Land, except for such Hazardous Substance as is necessary or useful to the operation of the Facilities.

(b) *The Board's Liability.* If the Board fails to comply with any of the foregoing warranties, representations, and covenants, and removal or Remediation of any Hazardous Substance found on the Facilities is required by Environmental Requirements or Governmental Authority, the Board shall promptly undertake the removal or Remediation of such Hazardous Substance, at the Board's sole cost and expense. In the event the Board fails or refuses to undertake such removal or Remedial actions, the Corporation may cause the removal or Remediation (or other cleanup reasonable acceptable to the Corporation) of any such Hazardous Substance from the Land or the Facilities. The reasonable costs of removal, Remediation, or any other cleanup (including transportation and storage costs) will be considered as Additional Rental under this Facilities Lease, whether or not a court has ordered the cleanup, and those costs will become due and payable within ninety (90) days of written demand by the Corporation. In connection therewith, the Board will give the Corporation, its agents, and employees access to the Facilities to remove, remediate, or otherwise clean up any Hazardous Substance. The Corporation, however, has no affirmative obligation to remove, remediate, or otherwise clean up any Hazardous Substance, and this Facilities Lease will not be construed as creating any such obligation. The Board hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of any Hazardous Substance located in or about the Facilities by the Board.

Section 20. The Corporation's Reservation of Rights.

(a) The Corporation hereby reserves all of its rights to recover from the Board for any and all Claims asserted against the Corporation, including Litigation Expenses arising out of or by reason of:

(i) any injury to or death of any person or damage to property occurring on or about the Facilities occasioned by or growing out of or arising or resulting from any tortious or negligent act on the part of the Board in connection with the operation and management of the Facilities; or

(ii) any failure, breach, or default on the part of the Board in the performance of or compliance with any of the obligations of the Board under the terms of this Facilities Lease.

(b) Notwithstanding the fact that it is the intention of the parties that the Corporation shall not incur any pecuniary liability by reason of the terms of this Facilities Lease or the undertakings required of the Corporation hereunder, nevertheless, if the Corporation should incur any such pecuniary liability, then in that event, the Corporation shall be entitled to assert all rights and remedies granted in law or in equity to recover from the Board the amount of any pecuniary liability incurred by the Corporation, plus all Litigation Expenses incurred in defense of such liability to the extent subject to indemnification pursuant to Subsection (a) above.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Corporation contained in this Facilities Lease or any Claim based thereon against the Corporation or of any successor thereto or member thereof, either directly or through the Corporation whether by virtue of any constitutional provision, statute, or rule of law. This Facilities Lease and the obligations of the Corporation hereunder, and any Claim asserted against the Corporation are solely corporate obligations, and the enforcement of any obligation or Claim shall be limited solely to the Corporation's interest in the Facilities. No personal liability shall attach to, or be incurred by, any officer, director, agent, employee or member of the Corporation and the Board acknowledges that all personal liability of any character against every such officer, director, agent, employee or member by the execution of this Facilities Lease, is expressly waived and released. The immunity of any officer, director, agent, employee or member of the Corporation under the provisions contained in this Section 20 shall survive any acquisition of the Facilities by the Board and the expiration or other termination of this Facilities Lease.

Section 21. Default by the Board. If (i) the Board shall fail to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to Section 6 hereof by the close of business on the day such deposit is required pursuant to Section 6 hereof, and shall fail to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under this Lease (other than the payment of Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants or conditions herein, and shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or such longer period as the Trustee may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board shall be deemed to be in default hereunder, and the Corporation shall have the right, at its option, without any further demand or notice to terminate this Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board, in which case the Board's right to possession of the Facilities will cease and this Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing for the period up to the time the Corporation regains possession (which have been approved for payment under this Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board which survive termination of this Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Facilities and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry shall be allowed by the Board without hindrance, and the Corporation shall not be liable in damages for any such re-entry or be guilty of trespass. The Corporation understands and agrees that upon its termination of the Board's right to possession of the Facilities or termination of this Facilities Lease, the Corporation upon its re-entry of the Facilities shall only be allowed to use the Facilities for the Permitted Use and shall be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Facilities.

Notwithstanding any other provision of this Facilities Lease, (i) in no event shall the Corporation have the right to accelerate the payment of any Base Rental payment hereunder and (ii) the Bond Insurer shall have ninety (90) days to cure an Event of Default hereunder.

Notwithstanding anything contained in this Section 21 to the contrary, a failure by the Board to pay when due any payment required to be made under this Facilities Lease or a failure by the Board to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Facilities Lease, resulting from a failure by the Board to appropriate moneys shall not constitute an Event of Default under this Section 21 and the Corporation shall not have any of the remedial rights set

forth in this Section 21. Notwithstanding the foregoing, in such event the Board acknowledges that the Facilities Lease shall terminate and the Board shall immediately vacate the Facilities, and deliver the Facilities to the Corporation.

Section 22. Cumulative Remedies. Each right and remedy provided for in this Facilities Lease is cumulative and is in addition to every other right or remedy provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of any or all other rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of this Facilities Lease or to enforce any provision of this Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by the Board of any breach by the Corporation of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 23. Option to Purchase. For and in consideration of the obligations of the Board under the Facilities Lease, the mutual undertakings of the parties, the receipt and adequacy of which is hereby acknowledged, the Corporation grants to the Board an exclusive and irrevocable option to purchase for the price and on the terms, provisions, stipulations and conditions hereinafter set forth, all but not less than all of the Corporation's leasehold interest in the Facilities.

(a) Effective Date. The effective date of this Option agreement shall be the Commencement Date.

(b) Term of Option. The Option shall expire at midnight Central Standard Time, on the Expiration Date, or upon the termination of this Facilities Lease, whichever occurs first.

(c) Limitation on Exercise of Option. The Board may not exercise the Option, and the Option shall be voidable, at the sole election of the Corporation, if a Default by the Board has occurred and is continuing under the Facilities Lease, and the applicable time period in which the Board may cure such default has expired. Notwithstanding any provision of this Option to the contrary, the Board shall be entitled to exercise the Option as long as the Board is legally obligated to make payments of Base Rental under the Facilities Lease.

(d) Exercise of Option.

(i) The Series 2004 Facilities. The Board may exercise the Option herein granted with respect to the Series 2004 Facilities at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Series 2004 Bonds and the Series 2013 Bonds are defeased pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Series 2004 Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Facilities

(ii) The Series 2007 Facilities. The Board may exercise the Option herein granted with respect to the Series 2007 Facilities at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Series 2007 Bonds are defeased

pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Series 2007 Facilities.

(e) Purchase Price. The Purchase Price shall be equal to the principal of all Bonds then Outstanding plus the interest to accrue on such Bonds until the purchase date plus any prepayment penalties, charges or costs for early prepayment or defeasance of the Bonds and any Administrative Expenses owed prior to the purchase date which payments are necessary to discharge the Indenture pursuant to Article XII thereof (collectively, the "Purchase Price").

(f) Effect on Facilities Lease and Ground Lease. Upon the purchase of the Corporation's leasehold interest in the Facilities by the Board pursuant to this Option, the Facilities Lease and the Ground Lease shall terminate and all of the Corporation's leasehold interest in the Land and the Facilities shall terminate.

(g) Payment of Purchase Price. The Board, on the purchase date, shall deposit an amount equal to the Purchase Price with the Trustee.

(i) Conveyance. In the event of and upon the payment of the Purchase Price and any other sums due under this Facilities Lease by the Board, the Corporation will on the purchase date execute and deliver to the Board a written cancellation of the Ground Lease and this Facilities Lease.

(ii) Assignment of Contract Rights and Obligations. The conveyance of the Corporation's leasehold interest in the Facilities shall also effect a transfer and assignment of all rights, warranties and liabilities of the Corporation under then existing contracts of any nature with respect to the Facilities.

(h) Closing. In the event the Option is timely exercised, notice of the Board's election to the Corporation shall constitute an irrevocable conversion of the Option into a binding obligation of the Corporation to sell its leasehold interest in the Facilities and the Board to buy the same under the terms and conditions set forth in this Section 23, and in such event, the Corporation and the Board shall have the right to demand specific performance of this agreement by the other. The closing shall occur at the offices of the Board or its counsel, or at such other time, place, and date as agreed upon by the Corporation and the Board.

(i) Closing Costs. The Board shall pay all closing costs and charges incident to the conveyance of the Corporation's interest in the Land and the Facilities.

(j) No Warranty. The Corporation shall convey its leasehold interest in the Facilities without any warranty whatsoever of any nature. The conveyance of the leasehold interest in the Facilities shall be without any warranty as to fitness and condition, as set forth in Section 5 of this Facilities Lease. Language substantially similar to the language contained in Section 5 of this Facilities Lease shall be incorporated into and made a part of such conveyance. In no event shall the Corporation be responsible for any defects in title.

(k) Default under the Option:

(i) In the event the Option is exercised, and the Corporation fails to consummate the transactions contemplated herein for any reason, except default by the Board or the failure of the Board to satisfy any of the conditions set forth herein, the Board may, in addition to any other rights and remedies which may otherwise be available to the Board, enforce this agreement by specific performance. The

Board's remedies under this Section are expressly subject to the provisions of Section 30 of this Facilities Lease.

(ii) In the event the Option is exercised, and the Board fails to consummate the transactions contemplated herein for any reason, except default by the Corporation or the failure of the Corporation to satisfy any of the conditions set forth herein, the Corporation (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the Board's delay; or (b) may bring suit for damages for breach of this agreement.

(iii) No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Section 23 shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any condition or any subsequent breach of the same or any other term, covenant or condition contained in this Section 23 shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

(l) *Attorney's Fees.* Should either party employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this agreement, or to recover damages for the breach of this agreement, the party prevailing in any final judgment shall have the right to collect from the losing party all Litigation Expenses incurred in enforcing such rights.

(m) *Notices.* Any notices required or permitted under this Section 23 shall be in writing and delivered either in person to the other party, or the other party's authorized agent, or by United States Certified Mail, return receipt requested, postage prepaid, to the address set forth in Section 51 of this Facilities Lease, or to such other address as either party may designate in writing and delivered as herein provided.

(n) *Assignability.* Except as set forth in the Indenture, the Mortgage or the Ground Lease, the Option may not be assigned by the Corporation or its interest in the Facilities sold (subject to the Option or otherwise) to any person or entity without the Board's prior written consent, which consent may be withheld by the Board in its sole discretion.

(o) *Time of Essence:* Time is of the essence of this Option.

(p) *Binding Effect:* This Option shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors and assigns.

Section 24. *Severability.* If any provisions of this Facilities Lease shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable, to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Facilities Lease shall not affect the remaining portions of this Facilities Lease, or any part thereof.

Section 25. *Redemption of Bonds.* The Corporation agrees that it will not exercise its option to redeem any Bonds pursuant to the Indenture unless the Board consents to such redemption or such redemption is to be effected with moneys derived from a source other than payments made by the Board under this Facilities Lease, however, in no event shall the mandatory redemption of any Bonds pursuant

to the Indenture require the consent of the Board. The Corporation further agrees that if requested by the Board it will take all actions necessary to redeem all or any portion of the Bonds designated by the Board on the first date that it may do so under the terms of the Indenture so long as the Board agrees to provide funds in an amount, and at the time, required to effect such redemption.

Section 26. *Additional Bonds.* Upon the request and at the expense of the Board, the Corporation shall take action as may be required to effect the issuance of Additional Bonds in such amount as the Board may request as permitted by and in accordance with the provisions of the Indenture for any purpose permitted thereby.

Section 27. *Execution.* This Facilities Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which together shall constitute one and the same Facilities Lease.

Section 28. *Law Governing.* This Facilities Lease is made in the State under the constitution and laws of the State and is to be governed by the laws of the State.

Section 29. *Nonappropriation of Funds.* In the event no funds or insufficient funds are lawfully appropriated in any Fiscal Year enabling the payment of Base Rental and Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the month following the Base Rental payment date on which the last payment of Base Rental can be made in full from Lawfully Available Funds, this Facilities Lease shall terminate without penalty or expense to the Board of any kind whatsoever, except as to the portions of Base Rental and Additional Rental payments herein agreed upon for Fiscal Years for which sufficient funds have been lawfully appropriated. In the event of such termination, the Board agrees peaceably to surrender possession of the Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Facilities and re-let or sell the Facilities as the Corporation determines and as granted in this Facilities Lease. The Board acknowledges that the Corporation's rights to take possession and to re-let or sell the Facilities under this Section 29 may be assigned to the Trustee for the benefit of the owners of the Bonds, and the Board agrees that the Trustee shall be entitled to exercise all of the rights of the Corporation under this Section 29. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under this Facilities Lease shall not constitute a default hereunder, but shall ipso facto terminate this Facilities Lease. This provision is operative notwithstanding any provisions of this Facilities Lease to the contrary. The Board shall be considered in default hereunder if sufficient funds are lawfully appropriated for the payment of Rental required under this Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation shall be entitled to the rights and remedies set forth in Sections 21 and 22 hereof.

Section 30. *Exculpatory Provision.* In the exercise of the powers of the Corporation and its trustees, officers, employees and agents under this Facilities Lease and the Indenture, the Corporation shall not be accountable or liable to the Board (i) for any actions taken or omitted by it or its officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Facilities Lease against any officer, employee or agent of the Corporation in his or her personal capacity, all such liability, if any, being expressly waived by the Board by the execution of this Facilities Lease. Nothing in this Facilities Lease or the Indenture is intended to require or obligate, nor shall anything herein or therein be interpreted to require or obligate, the Corporation for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Corporation other than the funds derived from the

issuance of the Bonds under the Indenture and moneys derived pursuant to the Indenture and this Facilities Lease.

The Board specifically agrees to look solely to the Corporation's interest in the Facilities for the recovery of any judgments from the Corporation. It is agreed that the Corporation will not be personally liable for any such judgments, or incur any pecuniary liability as a result of this Facilities Lease to the Board, or the breach of its obligations hereunder. The Corporation's liability under this Facilities Lease is "in rem" as to its interest in the Facilities. The provisions contained in the preceding sentences are not intended to and will not limit any right that the Board might otherwise have to obtain injunctive relief against the Corporation or relief in any suit or action in connection with enforcement or collection of amounts that may become owing or payable under or on account of insurance maintained by the Corporation.

Section 31. Amendments. This Facilities Lease may be amended only as permitted in Article VIII of the Agreement.

Section 32. Recording. The Corporation covenants and agrees that it will promptly record and from time to time re-record a memorandum in recordable form of this Facilities Lease and the Indenture and all supplements thereto and hereto in such manner and in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Bonds.

Section 33. Construction Against Drafting Party. The Corporation and the Board acknowledge that each of them and their counsel have had an opportunity to review this Facilities Lease and that each Party was responsible for the drafting thereof.

Section 34. Time of the Essence. Time is of the essence of each and every provision of this Facilities Lease.

Section 35. No Waiver. The waiver by the Corporation of any agreement, condition, or provision contained in this Facilities Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Facilities Lease, nor will any custom or practice that may grow up between the parties in the administration of the terms of this Facilities Lease be construed to waive or to lessen the right of the Corporation to insist upon the performance by the Board in strict accordance with the terms of this Facilities Lease. The subsequent acceptance of Rental by the Corporation will not be deemed to be a waiver of any preceding breach by the Board of any agreement, condition, or provision of this Facilities Lease, other than the failure of the Board to pay the particular Rental so accepted, regardless of the Corporation's knowledge of such preceding breach at the time of acceptance of such Rental.

Section 36. Survival. To the extent permitted by law and to the extent such will not constitute the incurrence of debt by the Board, all of the Corporation's remedies and rights of recovery under Sections 19 and 20 of this Facilities Lease shall survive the Term and/or the purchase of the Facilities by the Board under the Option.

Section 37. Counterparts. This Facilities Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

Section 38. Estoppel Certificates. At any time and from time to time but within ten (10) days after prior written request by the Corporation, the Board will execute, acknowledge, and deliver to the Corporation, promptly upon request but only to the extent accurate, a certificate certifying (i) that this

Facilities Lease is unmodified and in full force and effect or, if there have been modifications, that this Facilities Lease is in full force and effect, as modified, and stating the date and nature of each modification; (ii) the date, if any, to which Rental and other sums payable under this Facilities Lease have been paid; (iii) that no Notice of any default has been delivered to the Corporation which default has not been cured, except as to defaults specified in said certificate; (iv) that there is no Event of Default under this Facilities Lease or an event which, with Notice or the passage of time, or both, would result in an Event of Default under this Facilities Lease, except for defaults specified in said certificate; and (v) such other matters as may be reasonably requested by the Corporation. Any such certificate may be relied upon by any prospective purchaser or existing or prospective mortgagee of the Facilities or any part thereof. The Board's failure to notify the Corporation of any inaccuracies in the proposed certificate within the specified time period shall be conclusive evidence that the matters set forth in the certificate are accurate and correct.

Section 39. Waiver of Jury Trial. The Corporation and the Board waive trial by jury in any action, proceeding, or counterclaim brought by either of the Parties to this Facilities Lease against the other on any matters whatsoever arising out of or in any way connected with this Facilities Lease, the relationship of the Corporation and the Board, the Board's use or occupancy of the Facilities, or any other Claims, and any emergency statutory or any other statutory remedy.

Section 40. Written Amendment Required. No amendment, alteration, modification of, or addition to the Facilities Lease will be valid or binding unless expressed in writing and signed by the Corporation and the Board and consented to the extent required by Article VIII of the Agreement.

Section 41. Entire Agreement. This Facilities Lease, the exhibits and addenda, if any, contain the entire agreement between the Corporation and the Board. No promises or representations, except as contained in this Facilities Lease, have been made to the Board respecting the condition or the manner of operating the Facilities.

Section 42. Signs. The Board may attach any sign on any part of the Facilities, or in the halls, lobbies, windows, or elevator banks of the Facilities, without the Corporation approval. The Board may name the Facilities and change the name, number, or designation of the Facilities, without the Corporation's prior consent.

Section 43. Litigation Expenses. The Board will pay the Corporation as Additional Rental all reasonable Litigation Expenses and all other reasonable expenses which may be incurred by the Corporation in enforcing any of the obligations of the Board under this Facilities Lease, in exercising its rights to recover against the Board for loss or damage sustained in accordance with the provisions of this Facilities Lease, or in any litigation or negotiation in which the Corporation shall, without its fault, become involved through or because of this Facilities Lease.

Section 44. Brokers. The Corporation and the Board respectively represent and warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Facilities.

Section 45. No Easements for Air or Light. Any diminution or shutting off of light, air, or view by any structure that may be erected on any of the lands constituting the Facilities, or on lands adjacent to the Facilities, will in no way affect this Facilities Lease or impose any liability on the Corporation. This Facilities Lease does not grant any rights to light, view and/or air over the Facilities whatsoever.

B-88

Hammond, Louisiana 70402
Attention: Executive Director

Section 46. Binding Effect. The covenants, conditions, and agreements contained in this Facilities Lease will bind and inure to the benefit of the Corporation and the Board and their respective permitted successors and assigns.

Section 47. Rules of Interpretation. The following rules shall apply to the construction of this Facilities Lease unless the context requires otherwise: (a) the singular includes the plural and the plural includes the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to "writing" include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words "including," "includes" and "include" shall be deemed to be followed by words "without limitation"; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivision of sections), exhibits, appendices, annexes or schedules are to those of this Facilities Lease unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments; (h) references to Persons include their respective successors and assigns to the extent successors or assigns are permitted or not prohibited by the terms of this Facilities Lease; (i) any accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles; (j) "or" is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which have expired shall be of no force and effect after such termination, release, or expiration; (m) references to mail shall be deemed to refer to first-class mail, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Hammond, Louisiana time; (o) references to specific persons, positions, or officers shall include those who or which succeed to or perform their respective functions, duties, or responsibilities; and (p) the terms "herein", "hereunder" "hereby" "hereof," and any similar terms refer to this Facilities Lease as a whole and not to any particular articles, section or subdivision hereof.

B-89

Section 48. Relationship of Parties. The relationship of the Parties shall be one of lessor and lessee only, and shall not be considered a partnership, joint venture, license arrangement or unincorporated association. The Corporation is not controlled by the Board or under the control of any Person also in control of the Board.

Section 49. Law Between the Parties. This Facilities Lease shall constitute the law between the Parties, and if any provision of this Facilities Lease is in conflict with the provisions of "Title IX - Of Lease" of the Louisiana Civil Code, Articles 2669 through 2777, inclusive, the provisions of this Facilities Lease shall control.

Section 50. Conflicts between Existing Facilities Lease and Third Supplemental Facilities Lease. In the event any of the provisions of this Third Supplemental Facilities Lease conflict with any of the provisions of the Existing Facilities Lease, the provisions of this Third Supplemental Facilities Lease shall control.

Section 51. Notices. All notices, filings and other communications ("Notice") shall be in writing and shall be sufficiently given and served upon the other parties if delivered by hand directly to the persons at the addresses set forth below, or shall be sent by first class mail, postage prepaid, addressed as follows:

The Corporation:

University Facilities, Inc.
SLU Box 10709

With copies at the same time to:

Seale & Ross
200 North Cate Street
Hammond, Louisiana 70404
Attention: T. Jay Seale

The Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned representative has signed this Third Supplemental Agreement to Lease with Option to Purchase on behalf of the Board of Supervisors for the University of Louisiana System as of the ___ day of November, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By:

John L. Crain, President
Southeastern Louisiana University
Board Representative

B-90

IN WITNESS WHEREOF, the undersigned representative has signed this Third Supplemental Agreement to Lease with Option to Purchase on behalf of University Facilities, Inc. on the _____ day of November, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
Name:
Title:

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

BE IT KNOWN, that on this _____ day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOHN L. CRAIN

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University, and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

By: _____
John L. Crain, President
Southeastern Louisiana University
Board Representative

NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

B-91

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this ___ day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

_____ to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the _____, of University Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

WITNESSES:

By: _____

Name:
Title:

B-92

NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

EXHIBIT A

TO THE FACILITIES LEASE

DESCRIPTION OF THE FACILITIES

Phase One

Phase One of the housing development was comprised of two primary elements:

1. Hazardous material abatement and demolition of the following residence halls:
 - (a) Holloway Smith Hall (occurred in Spring 2004)
 - (b) Hammond Hall (occurred in Spring 2004)
 - I Carter Harris Hall (occurred in Spring 2004)

2. Construction of a new residence hall ("*Residence Hall I*") which provides approximately seven hundred eighteen (718) student beds in a mix of private and shared occupancy suites (opened January, 2005)

The project included: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and (5) provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (171,045 square feet)

Residence Hall was comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred fifty-eight (358) units of two-bedroom / one-bathroom and one-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of seven hundred eighteen (718) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-nine (179) of the units are designed for shared occupancy (360 total beds). Additionally, the Residence Hall I phase included a common area laundry facility in two of the buildings and area coordinator units in two of the buildings. In each building, community meeting rooms and tenant mail facilities were provided.

The first phase of development also included a 1,763 square foot maintenance facility for use by the property manager. Residence Hall I was completed in January, 2005.

Phase Two

Phase Two of the housing development was comprised of:

1. Construction of a new residence hall ("*Residence Hall II*") which provides seven hundred ninety-one (791) student beds in a mix of private and shared occupancy suites.
2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (184,530 square feet)

Residence Hall II is comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred ninety-five (395) units of housing configured in two-bedroom / one-bathroom and one-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of seven hundred ninety-one (791) beds. Ninety-five (95) of the units (187 total beds) are designed for private occupancy and three hundred (300) of the units (604 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase includes one laundry facility and one area coordinator unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities are provided. The second phase of development included relocation of the campus police facility into one of the buildings, along with office / meeting space for the property management. Residence Hall II was completed in August, 2005.

Phase Three

Phase Three of the housing development has not been initiated and would be subject to further revision based upon input from the University. The following was the preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to be determined)
2. Construction of a new residence hall ("*Residence Hall III*") to provide approximately two hundred (200) student beds in private occupancy suites.

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is not currently in progress.

Residence Hall III unit mix and design is subject to further revision based upon University input.

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility consists of approximately 436 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It contains four parking levels containing 171,378 square feet with elevators and stairs.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements included the expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom spaces. It consists of two levels containing approximately 9,323 square feet (plus 3,881 square feet at the two patios and 1,207 square foot at club seating area).

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

B-93

EXHIBIT B
MEMORANDUM OF SUPPLEMENTAL LEASE

B-94

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX C

FORM OF BOND COUNSEL OPINION

November __, 2013

Louisiana Local Government Environmental Facilities
and Community Development Authority
Baton Rouge, Louisiana

§ _____
Louisiana Local Government Environmental Facilities And
Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

We have acted as bond counsel to the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*"), a political subdivision of the State of Louisiana (the "*State*"), in connection with the issuance by the Issuer of the above-captioned bonds (the "*Series 2013 Bonds*") pursuant to Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 33:4548.16, inclusive) and Chapter 14 and Chapter 14-A of Title 39 the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456, inclusive) (collectively, the "*Act*").

The Series 2013 Bonds have been issued by the Issuer pursuant to the Act and other constitutional and statutory authority and a Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the "*First Supplemental Indenture*" and, together with the Original Indenture, the "*Indenture*") each between the Issuer and The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, as trustee (the "*Trustee*"). Capitalized terms used herein that are not otherwise defined have the meaning given them in the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds, are dated, bear interest until paid at the rate per annum, mature in the principal amounts and on the dates, and are subject to redemption all as set forth in the Indenture and in the Series 2013 Bonds.

The Series 2013 Bonds are issued under and are secured as to principal and interest by the Indenture, which provides a description of the nature and extent of the security for the Series 2013 Bonds, a statement of the terms and conditions under which the Series 2013 Bonds are issued and secured, the rights, duties and obligations of the Issuer, the rights, duties and immunities of the Trustee and the rights of the owners of the Series 2013 Bonds.

The Issuer previously issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and, together with the Series 2004A Bonds, the "*Series 2004 Bonds*") on behalf of University Facilities Inc., a Louisiana non-profit corporation (the "*Corporation*"), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "*Facilities*") for Southeastern Louisiana University (the "*University*") located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "*Board*") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University (collectively, the "*Project*"). The Series 2013 Bonds are being issued for the purpose of (i) refunding the Series 2004A Bonds and (ii) paying costs of issuance of the Series 2013 Bonds.

The Issuer and the Corporation have entered into a Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation (the "*Original Agreement*"), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the

Corporation (the "*Supplemental Agreement*" and, together with the Original Agreement, the "*Agreement*"), pursuant to which the Issuer will loan the proceeds from the sale of the Series 2013 Bonds to the Corporation for the foregoing purposes. Pursuant to the Agreement, the Corporation has agreed to make loan payments (the "*Payments*") solely from the Base Rental (as defined in the Agreement) sufficient to pay the principal of, premium, if any, and interest on the Series 2013 Bonds. The rights of the Issuer under the Agreement (except for the rights of the Issuer relating to exculpation, indemnification and payment of expenses thereunder) have been pledged and assigned by the Issuer to the Trustee as security for the Series 2013 Bonds.

The Board is leasing the land upon which the Facilities have been constructed to the Corporation pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the "*First Amendment to Ground Lease*"), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the "*Second Amendment to Ground Lease*"), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "*Third Supplemental Ground Lease*" and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the "*Ground Lease*").

The Facilities have been leased by the Corporation to the Board pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*"), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the "*Second Amendment to Facilities Lease*"), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "*Third Supplemental Facilities Lease*" and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the "*Facilities Lease*").

The Series 2013 Bonds are also entitled to the benefits of the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee (the "*Mortgage*") executed by the Corporation in favor of the Trustee, pursuant to which the Corporation has mortgaged its leasehold interest in and to the Property (as defined in the Mortgage).

We have examined: (i) the constitution and statutes of the State, including the Act; (ii) a certified transcript of the proceedings of the Issuer authorizing the issuance of the Series 2013 Bonds; (iii) the Indenture, the Agreement, the Tax Regulatory Agreement and Arbitrage Certificate dated the date of delivery and payment for the Series 2013 Bonds among the Issuer, the Corporation, the Board and the Trustee (the "*Tax Agreement*"); and (iv) such other documents, instruments, proofs and matters of law as we have deemed relevant to the issuance of the Series 2013 Bonds and necessary for the purpose of this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Board and the Corporation contained in the Indenture, the Agreement and the Tax Agreement, the certified proceedings and other certifications of public officials and others furnished to us, including certifications furnished to us by or on behalf of the Issuer, the Corporation and the Board, without undertaking to verify the same by independent investigation.

On the basis of the foregoing examinations, we are of the opinion, as of the date hereof and under existing law, that:

1. The Issuer is a validly existing political subdivision of the State and has the power and authority to enter into the Agreement and the Indenture and to issue and sell the Series 2013 Bonds.
2. The Series 2013 Bonds are valid and binding special and limited obligations of the Issuer secured by and entitled to the benefits of the Indenture and are payable solely from the revenues and other amounts pledged and assigned under the Indenture.
3. The Supplemental Agreement and the Supplemental Indenture have been duly authorized, executed and delivered by the Issuer and constitute valid and binding obligations of the Issuer, enforceable upon the Issuer in accordance with their terms, and all rights of the Issuer under the Agreement have

been validly assigned to the Trustee under the Indenture, with the exception of certain rights of the Issuer relating to notice, exculpation, indemnification and payment of expenses.

4. The Series 2013 Bonds and interest thereon do not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any State constitutional or statutory provision and will not constitute a general obligation or a charge against any other revenues of the Issuer.

5. Interest on the Series 2013 Bonds (including the amount of original issue discount properly allocable to the owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings.

6. Under the Act, the Series 2013 Bonds are exempt from all taxation by the State of Louisiana or any political subdivision thereof.

In rendering the opinions expressed in paragraph 5 above, we have relied upon the opinion of even date herewith of Seale & Ross, A Professional Law Corporation, Hammond, Louisiana, counsel to the Corporation that the Corporation is an organization that is exempt from the federal income tax under Code Section 501(c)(3). We have also relied upon such opinion with respect to (i) the due organization of the Corporation, (ii) the good standing of the Corporation in the State; (iii) the corporate power of the Corporation to enter into, and the due authorization, execution and delivery by the Corporation of, the Loan Agreement, the Ground Lease and the Facilities Lease, and the valid and binding effect thereof on the Corporation, and (iv) matters which might be disclosed as a result of an examination of the indentures, mortgages, deeds of trust, certifications of incorporation, by-laws, and other agreements or instruments to which the Corporation is a party or by which it or its properties are bound.

We have relied on representations of the Issuer, the Board and the Corporation with respect to matters solely within the knowledge of the Issuer, the Board and the Corporation, which we have not independently verified, and have assumed continuing compliance with the covenants in the Indenture, the Agreement and the Tax Agreement pertaining to those sections of the Code that affect the exclusion from gross income of interest on the Series 2013 Bonds for federal income tax purposes. In the event that such representations are determined to be inaccurate or incomplete or the Issuer, the Board or the Corporation fails to comply with the foregoing covenants, interest on the Series 2013 Bonds could be includable in gross income for federal income tax purposes from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

The accrual or receipt of interest on the Series 2013 Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Series 2013 Bonds.

It is to be understood that the rights of the owners of the Series 2013 Bonds and the enforceability of the Series 2013 Bonds, the Indenture, the Agreement and the other documents enumerated above may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that their enforcement may also be subject to the exercise of the sovereign police powers of the State or its governmental bodies and the exercise of judicial discretion in appropriate cases.

For purposes of this opinion, our services as bond counsel have not extended beyond the examinations and expressions of the conclusions referred to above. This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur. Except as stated above, no opinion is expressed as to any federal or state tax consequences resulting from the ownership of, receipt of interest on, or disposition of, the Series 2013 Bonds.

Respectfully submitted,

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) constitutes the written undertaking of the **Board of Supervisors for the University of Louisiana System** (the “Board”), on behalf of **Southeastern Louisiana University** (the “University”) for the benefit of the holders of the Bonds (as defined herein), required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, §240.15c2-12) (the “Rule”). The Board is an “obligated person” within the meaning of the Rule.

SECTION 1. Definitions. In addition to the definitions set forth in that certain Trust Indenture dated as of August 1, 2004, as amended and supplemented by a First Supplemental Trust Indenture dated November 1, 2013 (collectively, the “Indenture”) by and between the Issuer (as defined herein) and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as trustee (the “Trustee”), which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Disclosure Certificate, the following capitalized terms shall have the following meanings:

“*Audited Financial Statements*” means annual financial statements of the Board or operating data prepared in accordance with GAAP and mandated by statutory accounting requirements in effect from time to time, which financial statements shall have been audited by a firm of independent certified public accountants or the Legislative Auditor of the State.

“*Board*” means the Board of Supervisors for the University of Louisiana System.

“*Bonds*” means the \$_____ Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 and such Bonds issued in exchange for other such Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Bonds pursuant to the Indenture, all as further described in **Exhibit A**, attached hereto and made a part hereof.

“*Corporation*” means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Disclosure Representative*” means the President of the University or his or her designee or such other officer, employee, agent or representative as the Dissemination Agent shall designate in writing from time to time.

“*Dissemination Agent*” means the Board, in its capacity as such, which (through its Disclosure Representative) shall collect and provide the Financial Information in accordance with Section 2 hereof.

“*EMMA*” shall mean the internet-based portal referred to as the Electronic Municipal Market Access system operated by the Municipal Securities Rulemaking Board. The online address of EMMA is www.emma.msrb.org.

“*Financial Information*” means the Audited Financial Statements and the Financial Statements.

“*Financial Statements*” means the annual financial information (which shall be based on financial statements prepared in accordance with GAAP), or operating data with respect to the University, provided at least annually, which shall include the type included in the Official Statement as further described in Section 3 hereto.

“*Fiscal Year*” means the period commencing on the first day of July of any year and ending on the last day of June of the following year or such other period of twelve (12) consecutive calendar months as shall be specified by the Board.

“*GAAP*” means generally accepted accounting principles.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, as issuer of the Bonds.

“*Listed Event*” means any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves, reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of the owners of the Bonds, if material;
- (viii) Bond calls;
- (ix) Defeasances;
- (x) Release, substitution or sale of property, if any, securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar proceeding;
- (xiii) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated person or their termination; and
- (xiv) Appointment of a successor or additional trustee or the change of the name of a trustee, if material.

“*Notice of Listed Events*” means the Notice required to be given in accordance with Section 4 hereof.

“*Official Statement*” means the final Official Statement dated November __, 2013 with respect to the Bonds.

“*Report Date*” shall have the meaning set forth in Section 2(a)(iii) hereof.

“*Repositories*” shall mean EMMA and any SID.

“*Rule*” means Rule 15c2-12(b)(5)(i) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*SID*” means any public or private repository or entity designated by the Board as a state depository for the purpose of the Rule. The SIDs, as of the date of this Disclosure Certificate, appear in **Exhibit C** attached hereto.

“*State*” means the State of Louisiana.

“*Underwriter*” means Stephens Inc., Baton Rouge, Louisiana, on behalf of itself and on behalf of Raymond James & Company, Inc., New Orleans, Louisiana, as co-manager.

“*University*” means Southeastern Louisiana University, Hammond, Louisiana.

SECTION 2. Provision of Financial Information.

(a) (i) The Board hereby covenants and agrees to act as “Dissemination Agent” in connection with the Bonds.

(ii) Prior to or on the date of issuance of the Bonds, the Dissemination Agent, either on its own or through its designated Disclosure Representative, shall confirm with the Underwriter that the Bonds and the Official Statement have been published on EMMA. Additionally, the

Dissemination Agent, either on its own or through its designated Disclosure Representative, shall register as the dissemination agent of the Bonds on EMMA.

(iii) While any of the Bonds are Outstanding, the Dissemination Agent, either on its own or through its designated Disclosure Representative, shall collect and provide the Financial Information to the Repositories no later than six (6) months from the end of each Fiscal Year ending after the issuance of the Bonds (the "Report Date"), commencing December 31, 2013. The Dissemination Agent may adjust the Report Date if the Board or the University change their Fiscal Year by providing written notice of the change of Fiscal Year and the new Report Date to each then existing Repository; provided that the new Report Date shall be no more than 180 days after the end of the new Fiscal Year, and provided further that the period between the final Report Date relating to the former Fiscal Year and the initial Report Date relating to the new Fiscal Year shall not exceed one year in duration.

(iv) It shall be sufficient if the Dissemination Agent provides to each then existing Repository the Financial Information (or any portion thereof) by specific reference to documents previously provided to each Repository or filed with the Securities and Exchange Commission or, if such document is a final official statement, available from the Municipal Securities Rulemaking Board. The Dissemination Agent shall clearly identify each such other document so incorporated by reference.

(b) If the Dissemination Agent is unable to provide any portion of the Financial Information to each then existing Repository by the Report Date, then the Dissemination Agent shall electronically send and/or submit a notice to each then existing Repository in the form required by such existing Repository. If a Repository does not accept notices electronically, then such notice shall be in substantially the form attached hereto as **Exhibit B**.

(c) The Dissemination Agent shall determine, each year prior to the date for providing the Financial Information, the name and address of each then existing Repository.

(d) In accordance with MSRB Notice 2009-04 (January 9, 2009) the filing requirements set forth in Sections (2) and (4) herein shall be satisfied exclusively by electronically submitting to EMMA such filings through the EMMA Dataport at <http://www.emma.msrb.org>.

SECTION 3. Content of Financial Information. The Financial Information shall contain or incorporate by reference the following:

- (a) Audited Financial Statements for the Board;
- (b) Financial Statements for the University;
- (c) Operating data of the University, of the type included in Appendix A of the Official Statement and under the heading "SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Housing Occupancy" of the Official Statement;
- (d) The accounting principles pursuant to which the Audited Financial Statements were prepared;
- (e) The statement that the above-described information has been provided directly by the Board and/or the University; and
- (f) Identification of any documents previously filed by the Board, the University, the State or any other entity and incorporated by reference pursuant to Section (2)(a)(ii) hereof.

The Dissemination Agent reserves the right to cross-reference any or all of such annual Financial Information and operating data to other documents to be provided to the Repositories or the Municipal Securities Rulemaking Board.

The Dissemination Agent reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Dissemination Agent in order to comply with the rule and/or the submission requirements of the Repositories; provided that the Dissemination Agent agrees that any such modification will be done in a manner consistent with the Rule as provided in Section 6 hereof.

SECTION 4. Reporting of Listed Events.

(a) If a Listed Event occurs while any Bonds are Outstanding, the Dissemination Agent shall provide a Notice of Listed Events in a timely manner and shall promptly provide to the Municipal Securities Rulemaking Board and the Repository, if any, such Notice of Listed Events. Each Notice of Listed Events shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds. Notwithstanding the foregoing, a Notice of Listed Events described in items (viii) and (ix) under the definition of "Listed Event" herein need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Bondholders of affected Bonds pursuant to the Indenture.

(b) The Dissemination Agent shall provide in a timely manner to the to the Repository notice of any failure while any Bonds are Outstanding by the Dissemination Agent to provide to each then existing Repository Financial Information on or before the Report Date.

(c) If the Dissemination Agent determines that the occurrence of a Listed Event would be material under applicable federal securities laws, the Board shall promptly cause a notice of such occurrence to be filed with the Repositories, in the form prescribed by each such Repository.

(d) The Dissemination Agent may from time to time choose to provide notice of the occurrence of certain other events, in addition to Listed Events, if, in the judgment of the Dissemination Agent, such other event is material with respect to the Bonds, but the Dissemination Agent does not undertake to commit to provide any such notice of the occurrence of any material event except Listed Events.

(e) Whenever the Dissemination Agent obtains knowledge of the occurrence of a Listed Event, the Dissemination Agent shall, as soon as possible, determine if such event would constitute material information for Bondholders under applicable federal securities laws.

SECTION 5. Termination of Reporting Obligation. The Board's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption in whole or payment in full of all of the Bonds. In addition, any provision hereof and any provision relating to the Rule as set forth in the resolution authorizing the issuance of the Bonds shall be null and void in the event that the Board delivers to the Trustee an opinion of counsel expert in federal securities laws to the effect that those portions of the Rule that require this Disclosure Certificate, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; provided that the Board shall have provided notice of such delivery and the cancellation of this Disclosure Certificate and that portion of the Indenture relating to the Rule to each Repository.

SECTION 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Board may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not in and of itself cause the undertakings herein to violate, or adversely affect compliance with the Rule if such amendment or waiver had been effective on the date hereof, but taking into account any subsequent change in or official interpretation of the Rule.

Provided, however, that the following conditions must be satisfied prior to such amendment:

(a) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Board, or type of business conducted;

(b) The undertaking hereunder, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of the holders of the Bonds, as determined either by parties unaffiliated with the Board (such as bond counsel), or by approving vote of such holders in accordance with the terms of the Indenture at the time of the amendment.

Further, the Financial Information containing the amended operating data or financial information shall explain in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

Further provided, if an amendment is made to an undertaking hereunder specifying the accounting principles to be followed in preparing the either the Audited Financial Statements or the Financial Statements for the year in which the change is made should present a comparison between such information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison should include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of such Financial Information, in order to provide information to investors to enable them to reevaluate the ability of the Board to meet its obligations. To the extent reasonably feasible, the comparison also should be quantitative. A notice of the change in the accounting principles should be sent to the Repositories.

Amendments to **Exhibit C** may be made by the Dissemination Agent at any time to correct or update the list of SIDs.

SECTION 7. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Dissemination Agent from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or Notice of Listed Event, in addition to that which is required by this Disclosure Certificate. If the Board chooses to include any information in any Financial Information or Notice of Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Board shall have no obligation under this Disclosure Certificate to update such information or include it in any future Financial Information or Notice of Listed Event.

SECTION 8. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Board, the Underwriter and the holders of the Bonds, and shall create no rights in any other person or entity.

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

By: _____
John L. Crain, Authorized Representative

Date: _____, 2013

EXHIBIT A

MATURITY SCHEDULE

\$ _____
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

\$ _____ **SERIAL BONDS**

| <u>Maturity (August 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|

\$ _____ % Term Bonds due August 1, 20__, Yield _____%, CUSIP _____
\$ _____ % Term Bonds due August 1, 20__, Yield _____%, CUSIP _____

EXHIBIT B

NOTICE TO REPOSITORY OF FAILURE TO FILE FINANCIAL INFORMATION

Name of Issuer: Louisiana Local Government Environmental Facilities and Community Development Authority

Name of Obligated Person: Board of Supervisors for the University of Louisiana System

Name of Bond Issue: \$ _____ Louisiana Local Government Environmental Facilities and Community Development Authority Tax-Exempt Revenue Bonds (Southeastern Louisiana University Student Housing/ University Facilities, Inc. Project) Series 2013

Date of Issuance _____, 2013

NOTICE IS HEREBY GIVEN that the Board has not provided the Financial Information with respect to the above-named Bonds as required by the Continuing Disclosure Certificate of the Board dated _____, 2013. The Board anticipates that the Annual Report will be filed by _____.

Dated: _____

**Board of Supervisors for the
University of Louisiana System**

By: _____
Authorized Board Representative

EXHIBIT C

STATE INFORMATION DEPOSITORIES

None.

APPENDIX E

SCHEDULE OF SERIES 2004A BONDS

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS
(SOUTHEASTERN LOUISIANA STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004A

SERIAL BONDS

| <u>Maturity Date</u> | <u>Principal Amount</u> | <u>Coupon</u> | <u>CUSIP</u> |
|----------------------|-------------------------|---------------|--------------|
| August 1, 2014 | 1,960,000 | 4.00% | 546279TL 4 |
| August 1, 2015 | 2,040,000 | 5.00% | 546279TM 2 |
| August 1, 2016 | 2,140,000 | 4.00% | 546279TN 0 |
| August 1, 2017 | 2,230,000 | 4.00% | 546279TP 5 |
| August 1, 2018 | 2,320,000 | 4.10% | 546279TQ 3 |
| August 1, 2019 | 2,415,000 | 4.20% | 546279TR 1 |
| August 1, 2022 | 2,785,000 | 4.50% | 546279TU 4 |
| August 1, 2025 | 3,225,000 | 4.75% | 546279TX 8 |
| August 1, 2028 | 3,720,000 | 4.75% | 546279UE 8 |

TERM BONDS

| <u>Maturity Date</u> | <u>Principal Amount</u> | <u>Coupon</u> | <u>CUSIP</u> |
|----------------------|-------------------------|---------------|--------------|
| August 1, 2021 | 5,160,000 | 5.25% | 546279TT 7 |
| August 1, 2024 | 5,970,000 | 5.25% | 546279TW 0 |
| August 1, 2027 | 6,920,000 | 5.00% | 546279UD 0 |
| August 1, 2031 | 11,345,000 | 5.00% | 546279TY 6 |

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]



SOUTHEASTERN
LOUISIANA UNIVERSITY



Printed by: ImageMaster
www.ImageMaster.com

66

**RULE 15c2-12 CERTIFICATE OF THE
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY**

\$41,280,000*

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

The undersigned hereby certifies and represents to the Underwriter (within the meaning of the hereinafter defined Rule) (the "Underwriter") that he is the duly appointed officer or representative of the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") authorized to execute and deliver this Certificate and further certifies on behalf of the Issuer to the Underwriter as follows:

1. This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12, as amended, under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the above reference bonds (the "Bonds").

2. In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated October 29, 2013 setting forth information concerning the Bonds and the Issuer (the "Preliminary Official Statement").

3. As used herein, "Permitted Omissions" shall mean the offering prices, the interest rates, selling compensation, aggregate principal amounts, principal amounts per maturity, delivery dates, ratings and other terms of the Bonds and any underlying obligations depending on such matters and the identity of the Underwriter, all with respect to the Bonds and any underlying obligations.

4. The information with respect to the Issuer included in the Preliminary Official Statement under the captions "THE AUTHORITY" and "LITIGATION – The Authority" is final within the meaning of the Rule except for Permitted Omissions and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the Preliminary Official Statement, in the light of the circumstances under which they were made, not misleading.

* Preliminary, subject to change.

5. If, at any time prior to the formal award of the Bonds to the Underwriter, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter thereof.

6. The Issuer shall, within seven (7) business days of the signing of the Bond Purchase Agreement in connection with the sale of the Bonds, assist the Underwriter's acquisition of a sufficient number of final Official Statements to allow the Underwriter to comply with the Rule.

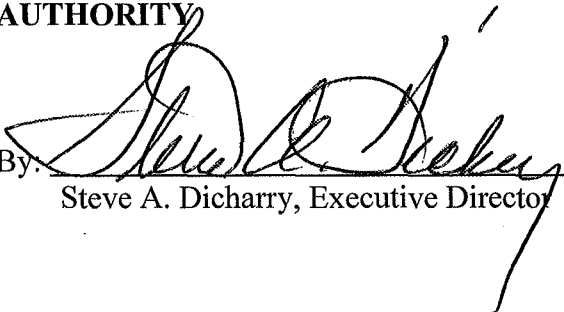
[Remainder of this page intentionally left blank]

[SIGNATURE PAGE – 15C2-12 CERTIFICATE OF THE ISSUER]

IN WITNESS WHEREOF, I have hereunto set my hand as of October 29, 2013.

**LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT
AUTHORITY**

By: _____



Steve A. Dicharry, Executive Director

RULE 15c2-12 CERTIFICATE OF UNIVERSITY FACILITIES, INC.

\$41,280,000*

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

The undersigned hereby certifies and represents to the Underwriter (within the meaning of the hereinafter defined Rule) (the "Underwriter") that he is the authorized representative of University Facilities, Inc. (the "Corporation") authorized to execute and deliver this Certificate and further certifies on behalf of the Board to the Underwriter as follows:

1. This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12, as amended, under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the above reference bonds (the "Bonds").
2. In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated October 29, 2013 setting forth information concerning the Bonds and the Corporation (the "Preliminary Official Statement").
3. As used herein, "Permitted Omissions" shall mean the offering prices, the interest rates, selling compensation, aggregate principal amounts, principal amounts per maturity, delivery dates, ratings and other terms of the Bonds and any underlying obligations depending on such matters and the identity of the Underwriter, all with respect to the Bonds and any underlying obligations.
4. The information with respect to the Corporation included in the Preliminary Official Statement (including, without limitation, the information set forth in the Appendices thereto) is final within the meaning of the Rule except for Permitted Omissions and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the Preliminary Official Statement, in the light of the circumstances under which they were made, not misleading.
5. If, at any time prior to the formal award of the Bonds to the Underwriter, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Corporation shall promptly notify the Underwriter thereof.

* Preliminary, subject to change.

[SIGNATURE PAGE – 15c2-12 CERTIFICATE OF CORPORATION]

IN WITNESS WHEREOF, I have hereunto set my hand as of October 29, 2013.

UNIVERSITY FACILITIES, INC.

By: Joseph J. Morris
Joseph Morris, Executive Director

**RULE 15c2-12 CERTIFICATE OF
THE BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM**

\$41,280,000*

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

The undersigned hereby certifies and represents to the Underwriter (within the meaning of the hereinafter defined Rule) (the "Underwriter") that he is the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board") authorized to execute and deliver this Certificate and further certifies on behalf of the Board to the Underwriter as follows:

1. This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12, as amended, under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the above referenced bonds (the "Bonds").

2. In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated October 29, 2013 setting forth information concerning the Bonds and the Board (the "Preliminary Official Statement").

3. As used herein, "Permitted Omissions" shall mean the offering prices, the interest rates, selling compensation, aggregate principal amounts, principal amounts per maturity, delivery dates, ratings and other terms of the Bonds and any underlying obligations depending on such matters and the identity of the Underwriter, all with respect to the Bonds and any underlying obligations.

4. The information with respect to the Board and the University included in the Preliminary Official Statement (including, without limitation, the information set forth in the Appendices thereto) is final within the meaning of the Rule except for Permitted Omissions and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the Preliminary Official Statement, in the light of the circumstances under which they were made, not misleading.

5. If, at any time prior to the formal award of the Bonds to the Underwriter, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Board shall promptly notify the Underwriter thereof.

* Preliminary, subject to change.

6. The Board shall, within seven (7) business days of the signing of the Bond Purchase Agreement in connection with the sale of the Bonds, assist the Underwriter's acquisition of a sufficient number of final Official Statements to allow the Underwriter to comply with the Rule.

7. The section of the Preliminary Statement entitled "CONTINUING DISCLOSURE" refers to the Continuing Disclosure Certificate of the Board, the form of which is set forth in Appendix D to the Preliminary Official Statement which the Board expects to execute for the benefit of the Bondholders and by which the Board will undertake to provide continuing disclosure in accordance with Section (b)(5)(i) of the Rule.

[Remainder of this page intentionally left blank]

[SIGNATURE PAGE – 15c2-12 CERTIFICATE OF THE BOARD]

IN WITNESS WHEREOF, I have hereunto set my hand as of October 29, 2013.

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

By:


John L. Crain, Authorized Representative

BOND PURCHASE AGREEMENT

\$40,910,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
**(SOUTHEASTERN LOUISIANA UNIVERISTY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)**
SERIES 2013

November 5, 2013

Louisiana Local Government Environmental
Facilities and Community Development Authority
Baton Rouge, Louisiana

University Facilities, Inc.
Hammond, Louisiana

Board of Supervisors for the
University of Louisiana System
Baton Rouge, Louisiana

Ladies and Gentlemen:

On the basis of the representations and warranties contained in this Bond Purchase Agreement and upon the terms and conditions herein contained, Stephens Inc., on behalf of itself as Manager and Raymond James & Company, Inc., as Co-Manager (collectively, the “Underwriter”) hereby offers to enter into this Bond Purchase Agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority (the “Authority”), University Facilities, Inc., a Louisiana non-profit corporation (the “Corporation”) and the Board of Supervisors for the University of Louisiana System, acting on behalf of Southeastern Louisiana University (the “Board”).

This offer is made subject to the written acceptance of this Bond Purchase Agreement by the Authority, the Corporation and the Board on or before 6:00 p.m. prevailing Central time on the date hereof, as authorized by the resolutions duly adopted by the Executive Committee of the Board of Directors of the Authority on August 8, 2013 and October 10, 2013 (collectively, the “Resolution”), and if not so accepted and approved, will be subject to withdrawal by the Underwriter upon notice delivered to the Board, the Authority and the Corporation by the Underwriter at any time prior to the acceptance of this Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined herein shall have the same meanings ascribed to such terms in the Indenture (as defined herein), unless the context shall clearly indicate otherwise.

SECTION 1 PURCHASE, SALE AND DELIVERY OF THE BONDS

(a) The Series 2013 Bonds (as defined herein) shall be described in and shall be issued pursuant to a Trust Indenture dated as of August 1, 2004 (the “Original Indenture”), as amended and supplemented by a First Supplemental Trust Indenture dated as of November 1, 2013 (the “Supplemental Indenture” and together with the Original Indenture, the “Indenture”), both by and between the Authority and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as Trustee (the “Trustee”).

(b) (i) Upon the terms and conditions and upon the basis of the representations, warranties and covenants set forth herein, the Underwriter hereby agrees to purchase from the Authority, and the Authority hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the \$40,910,000 aggregate principal amount of the Authority’s Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the “Series 2013 Bonds”). The purchase price of the Series 2013 Bonds shall be \$43,927,540.85 (representing \$40,910,000.00 original principal amount of the Series 2013 Bonds; less an Underwriter’s Discount in the amount of \$296,597.50; plus a net reoffering premium of \$3,314,138.35). The Series 2013 Bonds shall mature on the dates and shall bear interest at the fixed rates and yields, as described in **Schedule 1** attached.

(ii) The Underwriter agrees to comply with Securities and Exchange Commission Rule 15c2-12 and applicable rules of the Municipal Securities Rulemaking Board.

(c) Delivery of the Series 2013 Bonds shall be made in New York, New York, at the Depository Trust Company (“DTC”), 55 Water Street, at the Closing Time (as stated below), or at such other place as shall be mutually agreed upon by the Authority, the Corporation, the Board and the Underwriter. Subject to the terms hereof, the Closing shall take place at 10:00 a.m., prevailing Central time, on November 13, 2013, (or such other time or business day as may be mutually agreed upon by the Underwriter, the Board, the Corporation and the Authority in writing) at the offices of Jones Walker LLP, at 8555 United Plaza Blvd., Baton Rouge, Louisiana. Payment for the Series 2013 Bonds shall be made in lawful money of the United States of America in immediately available federal funds and shall be payable to the Trustee for the account of the Authority at 10:00 a.m., prevailing time on November 13, 2013, or such other date and time as shall be mutually agreed upon by the Authority, the Corporation, the Board and the Underwriter. The date of such delivery and payment is herein called the “Closing Date,” and the hour and date of such delivery and payment is herein called the “Closing Time.” The Series 2013 Bonds shall be delivered in definitive or temporary form as fully registered bonds bearing CUSIP numbers in such denominations as the Underwriter shall specify. There shall be one bond delivered for each maturity of the Series 2013 Bonds, registered in the name of Cede & Co., as nominee for DTC. On the Business Day preceding the Closing Date, the Series 2013 Bonds shall be delivered by the Authority to the Trustee to be held in escrow pending their release to the Underwriter on the Closing Date.

(d) The Series 2013 Bonds are to be issued by the Authority, pursuant to and in accordance with (i) the provisions of Sections 4548.1 through 4548.16, inclusive, of Chapter 10-D Title 33 of the Louisiana Revised Statutes of 1950, as amended (collectively, the “LCDA Act”); (ii) Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes, as amended (the “Refunding Act” and together with the LCDA Act, the “Act”); and (iii) the provisions of the Indenture.

(e) The proceeds of the Series 2013 Bonds will be loaned by the Authority to the Corporation, pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the “Original Loan Agreement”), as amended and supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the “Supplemental Loan Agreement” and together with the Original Loan Agreement, the “Loan Agreement”). The proceeds of the Series 2013 Bonds will be used for the purpose of providing a portion of the funds required to: (i) refund the Authority’s outstanding Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, issued in the original principal amount of \$60,985,000 and currently outstanding in the aggregate principal amount of \$52,230,000 (the “Series 2004A Bonds”), and (ii) pay costs of issuance of the Series 2013 Bonds.

The source of repayment of the Series 2013 Bonds will be payments of Base Rental made to the Corporation by the Board pursuant to the Facilities Lease; provided, however, the availability of Base Rental payable by the Board is subject to appropriation of such funds by the Board in its budget process sufficient for such purpose. The Board will make the required payments under the Facilities Lease from Series 2004 Lawfully Available Funds, which includes Rents and Auxiliary Revenues.

The Series 2013 Bonds are limited and special revenue obligations of the Authority payable solely from payments received by the Authority from the Corporation pursuant to the Loan Agreement. The Series 2013 Bonds do not constitute an indebtedness or pledge of the general credit of the State, the Board, the University or any political subdivision of the State (other than the Authority). The Board has agreed, pursuant to the Facilities Lease, to make payments of base rental to the Corporation on behalf of the University. The payments received by the Authority from the Corporation under the Loan Agreement are limited to the amount of Base Rental received by the Corporation from the Board. The Authority has no power to tax.

(f) At or before the time of the Corporation’s acceptance hereof, the Authority shall furnish the Underwriter with a copy of the form of Official Statement (as defined in Section 3(A)(1)(iii) hereof). The Corporation will deliver to the Underwriter, as promptly as practical but in no event later than the Closing Date, such number of copies of the final Official Statement as the Underwriter may reasonably require in order to comply with the rules of the Municipal Securities Rulemaking Board (“MSRB”) including, without limitation, Rule G-32 and U.S. Securities and Exchange Commission (“S.E.C.”) Rule 15c2-12.

(g) The Authority has covenanted in the Resolution and hereby agrees that it will cause to be executed as a condition to the issuance of the Bonds, a Continuing Disclosure Certificate of the Board, in substantially the form attached as Appendix D to the Official Statement (the “Continuing Disclosure Certificate”) on or before the Closing Date evidencing the written undertaking by the Board for the benefit of Bondholders required by Section (b)(5)(i) of S.E.C. Rule 15c2-12.

(h) The Authority and the Corporation consent to the use by the Underwriter, prior to the date hereof, of the Preliminary Official Statement relating to the Series 2013 Bonds in connection with the public offering of the Series 2013 Bonds.

(i) In order to assure compliance with the Internal Revenue Code of 1986, as amended, the Authority, the Board and the Corporation will execute a Tax Regulatory Agreement and Arbitrage Certificate dated the Closing Date (the “Tax Regulatory Agreement”).

(j) The Underwriter shall indemnify and hold harmless the Authority and the Corporation, each of their respective members, trustees, directors, officers, and employees, and each person who controls the Authority or the Corporation within the meaning of §15 of the Securities Act, but only with reference to written information relating to the Underwriter furnished by it specifically for inclusion in the Official Statement. The Authority and the Corporation acknowledge that the statements set forth under the heading “UNDERWRITING” in the Official Statement constitute the only information furnished in writing by or on behalf of the Underwriter for inclusion in the Official Statement. Further, the Underwriter will indemnify the Authority and the Corporation for (i) any information furnished by the Underwriter to purchasers of the Series 2013 Bonds that is not contained in the Official Statement and (ii) non-compliance with the state blue sky laws in connection with the offering and sale of the Series 2013 Bonds.

SECTION 2 EXCLUSIVE SOURCES OF THE OBLIGATIONS

Any other term or provision of this Bond Purchase Agreement, the Indenture, the Loan Agreement, the Tax Regulatory Agreement or elsewhere notwithstanding:

(a) Any and all obligations (including, without limitation, fees, claims, demands, payments, damages, liabilities, penalties, assessments and the like) of or imposed upon the Authority or its members, officers, agents, employees, representatives, advisors or successors or assigns, whether under this Bond Purchase Agreement, in the Indenture, the Loan Agreement, the Tax Regulatory Agreement or elsewhere, and whether arising out of or based upon a claim or claims of tort, contract, misrepresentation, or any other or additional legal theory or theories whatsoever (collectively, the “Obligations”), shall in all events be absolutely limited obligations and liabilities, payable solely out of the following, if any, available at the time the obligation in question is asserted: (1) Series 2013 Bond proceeds and investments therefrom, and (2) payments derived from the Series 2013 Bonds, the Indenture (including the trust estate to the extent provided in the Indenture), the Loan Agreement (except for the fees and expenses of the Authority and the Authority’s right to indemnification under the Loan Agreement and this Bond Purchase Agreement under certain circumstances), the foregoing provisions (1) and (2) being collectively referred to as the “Exclusive Sources of the Obligations”;

(b) The obligations shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the faith and credit of the State or any political subdivision thereof, including the Authority, but shall be payable solely from and out of the Exclusive Sources of the Obligations and shall otherwise impose no liability whatsoever, primary or

otherwise, upon the State or any political subdivision thereof, including the Authority, or any charge upon its credit or taxing power; and

(c) No recourse shall be had for the payment of the principal of or premium or interest on any of the Series 2013 Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Bond Purchase Agreement, the Indenture, the Loan Agreement or the Tax Regulatory Agreement contained, against any past, present or future officer, director, member, employee or agent of the Authority, or any officer, director, member, trustee, employee or agent of any successor corporation or body politic, as such, either directly or through the Authority or any successor corporation or body politic under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, trustees, members, employees or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of this Bond Purchase Agreement, the Indenture, the Loan Agreement or the Tax Regulatory Agreement and the issuance of any of the Series 2013 Bonds.

SECTION 3 REPRESENTATIONS AND AGREEMENTS OF THE AUTHORITY AND THE CORPORATION

A. Representations and Agreements of the Authority.

(1) By its execution hereof, the Authority hereby represents and agrees with the Underwriter that:

(i) The Authority is a political subdivision of the State, duly created pursuant to the provisions of the Act. The Authority is authorized by the laws of the State, including particularly the Act and the Resolution, (A) to issue, sell, execute and deliver the Series 2013 Bonds, (B) to enter into and perform its obligations under the Resolution, the Indenture and the Tax Regulatory Agreement, and (C) to carry out and consummate the transactions contemplated by this Bond Purchase Agreement, the Series 2013 Bonds, the Resolution, the Indenture, the Loan Agreement and the Official Statement;

(ii) The Authority has complied with or will have complied on and as of the Closing Date all provisions of the constitution and laws of the State pertaining to the adoption of the Resolution, the issuance and sale of the Series 2013 Bonds and the delivery of the Official Statement, the Tax Regulatory Agreement, the Blanket Letter of Representations to DTC (the "Letter of Representations"), the Indenture, the Loan Agreement and this Bond Purchase Agreement, including the Act;

(iii) The information in the Preliminary Official Statement under the captions "THE AUTHORITY" and "LITIGATION – THE AUTHORITY" (collectively, the "Authority Sections") was, as of its date, deemed by the Authority to be final for purposes of Rule 15c2-12 except for the omission of no more than the information described in Section (b)(1) of Rule 15c2-12. The Authority hereby authorizes and consents to the use of the final Official Statement describing the Series 2013 Bonds, in the form of the Preliminary Official Statement but with the completion of such pricing information and any other necessary information as amended (as completed, the "Official Statement"), by the Underwriter. As of its date, the Preliminary Official Statement has been deemed final by the Authority for

purposes of SEC Rule 15c2-12(b)(1). The Authority agrees to provide the Underwriter within seven (7) business days of the date hereof, sufficient copies of a final Official Statement to enable the Underwriter to comply with, as applicable, the requirements of Rule 15c2-12(b)(4) under the Securities and Exchange Act of 1934, as amended;

(iv) The Authority has duly authorized all action necessary to be taken for: (a) the issuance and sale of the Series 2013 Bonds upon the terms set forth herein and in the Official Statement; (b) the use of the Official Statement; and (c) the execution, delivery and due performance of this Bond Purchase Agreement, the Tax Regulatory Agreement, the Indenture, the Loan Agreement, the Letter of Representations, the Resolution, the Series 2013 Bonds and any and all such other agreements and documents as may be required to be executed, delivered and received by the Authority in order to carry out and give effect to and consummate the transactions contemplated hereby and by the Official Statement;

(v) This Bond Purchase Agreement, the Tax Regulatory Agreement, the Indenture, the Loan Agreement, the Letter of Representations and the Resolution will each have been duly authorized, executed and delivered by the Authority and assuming the due authorization, execution and delivery by the other parties thereto, will each be valid and binding obligations of the Authority in accordance with their respective terms;

(vi) The execution and delivery of this Bond Purchase Agreement, the Series 2013 Bonds, the Tax Regulatory Agreement, the Indenture, the Loan Agreement, the Letter of Representations, the Resolution and the other agreements contemplated hereby and by the Official Statement, and performance of the provisions thereof, will not conflict with or constitute a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, loan, rule or regulation or other instrument to which the Authority is subject or by which the Authority is or may be bound;

(vii) The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is a bond issuer whose arbitrage certifications may not be relied upon;

(viii) Any certificate signed by any of the Authority's authorized officers and delivered to the Underwriter shall be deemed a representation by the Authority to the Underwriter as to the statements made therein;

(ix) The Authority is not in violation in any respect material to the transactions contemplated by the Resolution and has not received notice of any claimed violation material to said transactions (except such violations as heretofore have been specifically disclosed in the Official Statement) of the current Bylaws and Regulations of the Authority, or any laws, ordinances, governmental rules or regulations or court or other governmental orders or the terms of any agreement or other instruments to which it is a party or by which it, its properties or operations are bound;

(x) No consent, approval or authorization of, or filing, registration or qualification with, any governmental authority (other than those, if any, already obtained and other than any required under "Blue Sky" laws) is required on the part of the Authority as a condition to the execution and delivery of the Resolution, the Tax Regulatory Agreement, the Indenture,

the Loan Agreement, the Letter of Representations or the performance of the Authority's obligations under any such documents;

(xi) The Authority has all requisite power to issue the Series 2013 Bonds and has been duly authorized to execute and deliver the Series 2013 Bonds under the terms and provisions of the Resolution and the Indenture;

(xii) Neither the execution and delivery of the Series 2013 Bonds and the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the terms and conditions of the Series 2013 Bonds, the Resolution, the Letter of Representations, the Indenture, the Loan Agreement, or the Tax Regulatory Agreement, except to the extent disclosed in the Official Statement, will conflict with or result in a breach of any of the material terms, conditions or provisions of, or will result, except to the extent disclosed in the Official Statement, in the creation or imposition of any material lien, charge or encumbrance upon any property or assets of the Authority pursuant to, any indenture, ordinance, loan agreement or other agreement or instrument (other than liens, charges and encumbrances created by the Indenture) or corporate restriction to which the Authority is a party or by which the Authority, or its properties or operations, may be bound, and such action will not, except to the extent disclosed in the Official Statement, result in any material violation of the Bylaws or Regulations of the Authority or the provisions of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Authority or its properties or operations are subject;

(xiii) There is no litigation or governmental action, proceeding, inquiry or investigation pending or threatened by governmental authorities or others or to which the Authority is a party or of which any property of the Authority is subject or, to the knowledge of the Authority, any basis for any such action, proceeding, inquiry or investigation, except for matters disclosed in the Official Statement, which, if determined adversely to the Authority, would individually or in the aggregate (a) materially and adversely affect the validity or the enforceability of the Series 2013 Bonds, this Bond Purchase Agreement or any related document; or (b) otherwise materially adversely affect the ability of the Authority to comply with its obligations under the Series 2013 Bonds, the Indenture, the Loan Agreement, the Tax Regulatory Agreement, this Bond Purchase Agreement or any related document. Except as provided in the Official Statement, no litigation, proceedings or investigations are pending or, to the knowledge of the Authority, threatened against the Authority, except for litigation, proceedings or investigations which the Authority believes is nonmeritorious or that insurance coverage provided by applicable insurance policies is adequate to offset any significant liabilities that may result from such action and which has a material impact of the Authority's ability to pay debt service on the Series 2013 Bonds;

(xiv) The representations and warranties of the Authority set forth in the Indenture will be true and correct in all material respects on the date thereof; and

(xv) The Authority acknowledges and approves the terms and conditions of this Bond Purchase Agreement and its participation in the transactions contemplated thereby and, subject to the terms and conditions of this Bond Purchase Agreement, the Authority agrees to pay the expenses contemplated to be paid by the Authority pursuant to Section 8 of this Bond Purchase Agreement.

(2) The Authority will cooperate with the Underwriter in taking all necessary action for the qualification of the Series 2013 Bonds for sale and the determination of their eligibility for investment under the securities or Blue Sky laws of such jurisdictions as the Underwriter designates, with the exception of any jurisdiction where consent to local service of process in suits other than those arising out of the sale of the Series 2013 Bonds is a prerequisite to such qualification, and the continuation of such qualifications in effect so long as required for distribution of the Series 2013 Bonds.

(3) The representations, warranties, covenants and indemnities of or by the Authority contained in this Bond Purchase Agreement are given solely for the benefit of the Underwriter and the other Reimbursable Parties referred to herein and their respective successors, assigns, executors and administrators, and no other person, including any registered owner of the Series 2013 Bonds as such, shall require or have any right under or by virtue of this Bond Purchase Agreement.

B. Representations and Agreements of the Corporation.

(1) The Corporation represents, warrants and covenants to and with the Authority and the Underwriter, as follows:

(i) The information contained in the Preliminary Official Statement and the Official Statement relating to the Corporation (the “Corporation Sections”) at the date and the time each were used by the Underwriter in connection with the solicitation of offers to purchase Bonds, were and will be accurate in all material respects, and did not and will not, as of such dates, include any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were or are made, not misleading. The Preliminary Official Statement, as evidenced by a certificate to be executed by the Corporation, has been “deemed final” within the meaning of Rule 15c2-12(b) under the Securities Exchange Act of 1934. The Corporation hereby ratifies the use and distribution of the Preliminary Official Statement by the Underwriter to persons who maybe interested in the purchase of the Series 2013 Bonds, and hereby authorizes the Underwriter to use and distribute the Preliminary Official Statement, and copies of all other documents executed in connection with the sale of the Series 2013 Bonds. The Corporation also agrees to deliver to the Underwriter, at such address as the Underwriter shall specify, as many copies of the Official Statement as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of Rule 15c2-12 and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board. The Corporation agrees to deliver such copies of the Official Statement within seven (7) business days after the date hereof, but in no event later than the Closing Date. Such Official Statement shall contain all information previously permitted to be omitted by Rule 15c2-12;

(ii) The Corporation is a private, nonprofit corporation duly organized and validly existing in good standing under the laws of the State and in good standing in the State licensed to carry on its operations under the laws of the State. The Corporation is an organization described in Section 501(c)(3) of the Code, exempt from federal income tax under Section 501(a) of the Code. The Corporation is not in violation in any respect material to the transactions contemplated by the Loan Agreement, this Bond Purchase Agreement, the Ground Lease, and the Facilities Lease (collectively, the “Corporation’s Documents”) or the Official Statement, and has not received notice of any claimed violation material to said transactions (except such violations as heretofore have been specifically disclosed in the

Official Statement) or its Articles of Incorporation or bylaws or any laws, ordinances, governmental rules or regulations or court or other governmental orders or the terms of any agreement or other instruments to which it is a party or by which it, its properties or operations are bound;

(iii) No consent, approval or authorization of, or filing, registration or qualification with, any governmental authority (other than those, if any, already obtained and other than any required under “Blue Sky” laws) is required on the part of the Corporation as a condition to the execution and delivery of the Corporation’s Documents or the performance of the Corporation’s obligations under any of such documents;

(iv) The Corporation has all requisite power to enter into the Corporation’s Documents under the terms and provisions of a resolution adopted by the Board of Directors of the Corporation on August 6, 2013;

(v) Neither the execution and delivery of the Corporation’s Documents and the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the terms and conditions of the Corporation’s Documents, will conflict with or result in a breach of any of the material terms, conditions or provisions of, or will result in the creation or imposition of any material lien, charge or encumbrance upon any property or assets of the Corporation pursuant to, any indenture, ordinance, loan agreement or other agreement or instrument (other than liens, charges and encumbrances created by the Indenture or Permitted Encumbrances, as defined in the Indenture) or corporate restriction to which the Corporation is a party or by which the Corporation, or its properties or operations, may be bound, and such action will not result in any material violation of the Articles of Incorporation or bylaws of the Corporation or the provisions of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Corporation or its properties are subject;

(vi) There is no litigation or governmental action, proceeding, inquiry or investigation pending or threatened by governmental authorities or others or to which the Corporation is a party or of which any property of the Corporation is subject nor, to the knowledge of the Corporation, is there any basis for any such action, proceeding, inquiry or investigation, except for matters disclosed in the Official Statement, which, if determined adversely to the Corporation, would individually or in the aggregate (i) materially and adversely affect the validity or the enforceability of the Corporation’s Documents or any related document or (ii) otherwise materially adversely affect the ability of the Corporation to comply with its obligations under the Corporation’s Documents or any related document. No litigation, proceedings or investigations are pending or, to the knowledge of the Corporation, threatened against the Corporation, except for litigation, proceedings or investigations which management of the Corporation believes is nonmeritorious or for which insurance coverage provided by applicable insurance policies is adequate to offset any significant liabilities that may result from such action;

(vii) The representations and warranties of the Corporation set forth in the Loan Agreement will be true and correct in all material respects on the date thereof, and the Corporation will be in compliance with all terms, covenants and conditions of the Loan Agreement on the date thereof;

(viii) The Corporation will deliver or cause to be delivered all opinions, certificates and other documents, as provided for in, and required by, this Bond Purchase Agreement, including, but not limited to, an opinion of its counsel dated as of the Closing Date;

(ix) The Corporation acknowledges and approves the terms and conditions of this Bond Purchase Agreement and its participation in the transactions contemplated hereby;

(x) Any certificate signed by any of the Corporation's authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by the Corporation as to the statements made therein; and

(xi) The Corporation will indemnify the Authority and the Underwriter against any losses, claims, damages, or liabilities, joint or several, to which the Authority or the Underwriter may become subject under the Securities Act, the Securities Exchange Act of 1934, as amended, the Trust Indenture Act, or any other statute or at common law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon the failure in connection with the offering of the Series 2013 Bonds to register any security under the Securities Act or to qualify any indenture under the Trust Indenture Act and any claims based upon any information in the entire Official Statement, excepting only the Authority Sections. The foregoing indemnity shall include reimbursement for any legal or other expenses reasonably incurred by the Authority or the Underwriter in connection with investigating or defending any such action or claim; provided, however, that if the Corporation assumes the defense of any such action or claims pursuant to the following paragraph, the indemnifying Party shall not be liable to any indemnified party under this subsection (d) for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. Promptly after the commencement of any action against any party indemnified hereunder in respect of which indemnity is to be sought against an indemnifying party, such indemnified party will notify the indemnifying party in writing of such action and the indemnifying party may assume the defense thereof, including the employment of counsel and the payment of all expenses; but the omission so to notify the indemnifying party will not relieve the indemnifying party from any liability which it may have to any indemnified party otherwise than hereunder. The parties hereto agree to provide for contribution by the parties for any losses and expenses incurred in the event that the indemnification provided in this paragraph is unenforceable.

(2) The Corporation will cooperate with the Underwriter in taking all necessary action for the qualification of the Series 2013 Bonds for sale and the determination of their eligibility for investment under the securities or Blue Sky laws of such jurisdictions as the Underwriter designates, with the exception of any jurisdiction where consent to local service of process in suits other than those arising out of the sale of the Series 2013 Bonds is a prerequisite to such qualification, and the continuation of such qualifications in effect so long as required for distribution of the Series 2013 Bonds.

(3) The representations, warranties, covenants and indemnities of or by the Corporation contained in this Bond Purchase Agreement are given solely for the benefit of the Underwriter and the other Reimbursable Parties referred to herein and their respective successors, assigns, executors and administrators, and no other person, including any registered owner of the Series 2013 Bonds as such, shall require or have any right under or by virtue of this Bond Purchase Agreement.

SECTION 4 CONDITIONS TO THE UNDERWRITER'S OBLIGATIONS

The Underwriter's obligations hereunder shall be subject to the accuracy of and compliance with the representations and agreements of the Authority and Corporation contained herein, as of the date hereof and as of the Closing Date, and are also subject to the following conditions:

(a) On the Closing Date, the Authority and the Corporation shall deliver or cause to be delivered to the Underwriter herewith:

- (i) Two executed copies of the Official Statement; and
- (ii) An executed copy of this Bond Purchase Agreement.

(b) On the Closing Date, the Series 2013 Bonds (including any opinions attached thereto or printed thereon), the Tax Regulatory Agreement, the Continuing Disclosure Certificate, the Indenture, the Loan Agreement, the Ground Lease, the Facilities Lease, the Letter of Representations and the Official Statement shall have been duly authorized, executed and delivered, each in the form submitted to the Underwriter on the date hereof with only such changes therein as shall be agreed upon by the Underwriter.

(c) At or before the Closing Time, the Underwriter shall have received:

(i) The opinions, addressed to the Underwriter in form and substance satisfactory to the Underwriter, their counsel and Bond Counsel, dated as of the Closing Date, indicating that the Underwriter may rely upon such opinions as if the same were addressed to the Underwriter, of:

(A) Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, substantially in the form attached as Appendix C to the Official Statement;

(B) Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, to the effect that the Series 2013 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended;

(C) Butler Snow LLP, Counsel to the Underwriter;

(D) Gregory A. Pletsch & Associates, Counsel to the Trustee;

(E) DeCuir, Clark & Adams, L.L.P., Baton Rouge, Louisiana, Counsel to the Board;

(F) Seale & Ross, A Professional Law Corporation, Hammond, Louisiana, Counsel to the Corporation; and

(G) Breithaupt, Dunn, DuBos, Shafto & Wolleson, LLC, Monroe, Louisiana, Counsel to the Authority.

(ii) Certified copy of the approval of the Louisiana State Bond Commission of the issuance of the Bonds;

(iii) Evidence satisfactory to the Underwriter that the Series 2013 Bonds have received ratings of “A3 (stable outlook)” from Moody’s and that such rating is in effect at the Closing Time;

(iv) Evidence that Form 8038 will be provided to the Internal Revenue Service promptly following the Closing Date;

(v) Specimen form of the Series 2013 Bonds;

(vi) Certified copies of the Resolution and executed originals of the Continuing Disclosure Certificate;

(vii) The Tax Regulatory Agreement of the Authority supporting the opinion of Bond Counsel that interest on the Series 2013 Bonds is excluded from gross income for federal income tax purposes;

(viii) A certificate of the Corporation, dated the Closing Date, in form and substance satisfactory to the Underwriter, in which such officer states that:

(A) (1) each of the representations and warranties of the Corporation contained herein and, to the best of its knowledge, in the Corporation Documents, is true, accurate, and complete in every material respect on the Closing Date as if made on and as of the Closing Date, and (2) all of the agreements of the Corporation to be complied with and each, of the obligations to be performed by the Corporation hereunder and under all of the Corporation Documents on or prior to the Closing Date have been complied with and performed in every material respect;

(B) The information in the Official Statement relating to the Corporation, as of such date, is accurate in all material respects, and does not include any untrue statements of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(C) Except as disclosed in the Official Statement, there is neither pending nor, to the best of the knowledge of the Corporation, threatened against the Corporation any action, suit, other proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, authority, board, body or arbitrator or, to the best of the knowledge of the Authority, is there any basis therefor, wherein an unfavorable decision, ruling or funding would materially adversely

affect the validity or enforceability of the Corporation Documents, the Official Statement or any agreement or instrument to which the Corporation is a party or by which it is bound, and which is used or contemplated for use in the consummation of the transactions contemplated therein and herein, or which would materially adversely affect the transactions contemplated by the foregoing, or which would adversely affect the exclusion from gross income of the interest on the Bonds for federal income tax purposes.

(ix) A certificate of an Authorized Authority Representative dated as of the Closing Date to the effect that:

(A) As of the date hereof, the information contained in the Authority Sections of the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make statements contained therein, in the light of the circumstances under which they were made, not misleading;

(B) At all times subsequent to the date hereof to and including the Closing Date, the information contained in the Authority Sections of the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make statements contained therein, in the light of the circumstances under which they were made, not misleading; and

(C) No litigation is pending or, to their knowledge threatened, to restrain or enjoin the execution and delivery of the Bonds, the Resolution, the Tax Regulatory Agreement, the Indenture, the Loan Agreement or the existence or powers of the Authority or the right of the Authority to carry out the terms thereof, and the issuance of the Bonds and the execution and delivery of the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and the compliance by the Authority with the provisions thereof will not conflict with or constitute on the part of the Authority a breach of or a default under the By-Laws, as amended, or any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, loan or other instrument to which the Authority is subject or by which it is bound;

(x) A copy of the Authority's Blanket Letter of Representations to The Depository Trust Company;

(xi) A certificate of an authorized representative of the Trustee to the effect that (A) the Trustee is a state banking corporation duly organized and validly existing under and by virtue of the laws of the State of Alabama and is duly authorized to exercise trust powers in the State of Louisiana, (B) the Trustee has full right, power and authority to accept the duties enumerated in the Indenture and to perform its obligations under the Indenture, (C) the Indenture constitutes a valid and binding obligation of the Trustee in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and subject, as to enforceability, to general

principles of equity, (D) the performance of the Trustee of its functions under the Indenture, and the Tax Regulatory Agreement will not result in any violation of the incorporating documents or bylaws of the Trustee, any court order to which the Trustee is subject or any agreement, indenture or other obligation or instrument to which the Trustee is subject or any agreement, indenture or other obligation or instrument to which the Trustee is a party or by which the Trustee is bound, and no approval or other action by any governmental authority or agency having supervisory authority over the Trustee is required to be obtained by the Trustee in order to perform its functions under the Indenture and the Tax Certificate, and (E) to the best of such authorized representative's knowledge, there is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending or threatened against or affecting the Trustee wherein an unfavorable decision, ruling or finding on an issue raised by any party thereto is likely to materially and adversely affect the ability of the Trustee to perform its obligations under the Indenture and the Tax Regulatory Agreement; and

(xii) Such additional certificates, opinions and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence performance of or compliance with the provisions of this Bond Purchase Agreement and the transactions contemplated hereby and by the Official Statement, all such certificates and other documents to be satisfactory in form and substance to the Underwriter and Underwriter's Counsel.

SECTION 5 THE UNDERWRITER'S RIGHT TO CANCEL

The Underwriter shall have the right to cancel its obligations hereunder to purchase the Series 2013 Bonds by notification to the Authority and the Corporation in writing or by email of their election to do so between the date hereof and the Closing Date, if at any time hereafter and prior to the Closing Time:

(i) Legislation shall be introduced in or enacted by the Congress of the United States or adopted by either house thereof or introduced in or enacted by the legislature of the State, or a decision by a federal court (including the Tax Court or Claims Court of the United States) or a State court shall be rendered, or a ruling, regulation (proposed, temporary or final) or statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other federal or State agency shall be made, with respect to the revenues and other property pledged to the payment of the Series 2013 Bonds or with respect to interest received which is of the general character of interest paid on the Series 2013 Bonds, or which would have the effect of changing directly or indirectly the federal or State income tax consequences of interest on bonds of the general character of the Series 2013 Bonds in the hands of the holders thereof, which legislation, ruling, regulation or official statement would, in the Underwriter's reasonable judgment, materially adversely affect the market price of the Series 2013 Bonds;

(ii) Any legislation, ordinance, rule, regulation or policy statement shall be introduced in or be enacted by any governmental body, department or agency in the State or the federal government, or a decision by any court of competent jurisdiction within the State

or the federal government shall be rendered which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Series 2013 Bonds;

(iii) A stop order, ruling, regulation or official statement by, or on behalf of; the Securities and Exchange Commission or any governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of the obligations of the general character of the Series 2013 Bonds, or the issuance, offering or sale of the Series 2013 Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement is in violation or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and then in effect, or the registration provisions of the Securities Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(iv) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered to the effect that obligations of the general character of the Series 2013 Bonds are not exempt from registration under the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, to that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended and as then in effect;

(v) Any event shall have occurred, or information become known, which, in the Underwriter's reasonable opinion, makes untrue in any material respect any statement or information contained in the Official Statement (as it may have been previously supplemented or amended) or has the effect that the Official Statement (as it may have been previously supplemented or amended) contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(vi) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(vii) A general banking moratorium shall have been established by federal, New York or State authorities;

(viii) Any proceeding shall be pending or threatened by the Securities Exchange Commission against the Authority or the Corporation;

(ix) A war involving the United States of America shall have been declared, or any conflict involving the armed forces of the United States of America shall have escalated, or any other national emergency (including without limitation, acts of terrorism) relating to the effective operation of government or the financial community shall have occurred, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Series 2013 Bonds;

(x) The President of the United States of America, the Office of Management and Budget, the Department of the Treasury, the Internal Revenue Service, or any other governmental body, department or agency of the United States of America shall take or propose to take any action or implement or propose regulations or rulings which, in the Underwriter's reasonable opinion, materially adversely affect the market price of the Series 2013 Bonds, impacts adversely in a material manner upon the Authority's ability to apply the proceeds of the Series 2013 Bonds for the purposes for which the Series 2013 Bonds were authorized to be issued;

(xi) There shall have occurred any outbreak or escalation of hostilities or any national or international calamity or crisis, including financial crises, or a financial crisis or a default with respect to the debt obligations of, or the institution of proceedings under the federal or the state bankruptcy laws by or against the Authority, this or any agency or instrumentality of the Authority or the Corporation, the effect of which on the financial markets of the United States being such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market the Series 2013 Bonds or to enforce contracts for the sale of the Series 2013 Bonds;

(xii) Failure by the Board to execute the Continuing Disclosure Certificate; or

(xiii) There shall have occurred or any notice have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Corporation's or the Board's obligations.

SECTION 6 CONDITIONS TO THE AUTHORITY'S OBLIGATIONS

The Authority's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder. If the Underwriter defaults on its obligation to purchase Series 2013 Bonds hereunder, this Bond Purchase Agreement shall terminate and the Authority and the Corporation shall have all rights and remedies as may be allowed by law to enforce the action or inaction of the Underwriter hereunder. In the event of any such termination, neither the Authority nor the Corporation shall be under any obligation to the Underwriter.

SECTION 7 REPRESENTATIONS AND AGREEMENTS TO SURVIVE DELIVERY

All of the Authority's and the Corporation's representations, warranties and agreements shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter on its own behalf, and shall survive delivery of the Series 2013 Bonds to the Underwriter.

SECTION 8 PAYMENT OF EXPENSES

Whether or not the Series 2013 Bonds are sold by the Authority to the Underwriter, the Underwriter shall be under no obligation to pay any expenses incident to the performance of the Authority's obligations hereunder nor shall the Authority be under any obligation for any fees or

expenses of the Underwriter should the Series 2013 Bonds not be delivered, and then only to the extent set forth herein. All expenses and costs of the Authority incident to issuing the Series 2013 Bonds including, without limitations, the fees and expenses of Bond Counsel, the initial fee of the Trustee and the fees and expenses of counsel to the Trustee, fees and expenses of counsel to the Authority, fees and expenses of Counsel to the Corporation, the expenses and costs for the preparation, printing, photocopying, executing and delivery of the Resolution, this Bond Purchase Agreement and all other agreements and documents contemplated hereby, the fees and expenses of consultants and rating agencies, the State Bond Commission fees, the fees and expenses of Underwriter Counsel, the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Series 2013 Bonds and the Official Statement shall be paid by the Authority but solely from the proceeds of the Series 2013 Bonds, and only if the Series 2013 Bonds are delivered.

SECTION 9 NOTICE

Any notice or other communication to be given under this Bond Purchase Agreement may be given by mailing or delivering the same in writing to:

| | |
|------------------------|---|
| If to the Authority: | Louisiana Local Government Environmental Facilities and Community Development Authority 8712 Jefferson Highway, Suite A Baton Rouge, LA 70809 Facsimile: (225) 924-6171 Attention: Steve A. Dicharry, Executive Director |
| If to the Corporation: | University Facilities, Inc. SLU Box 10746 Hammond, LA 70402 Attention: President |
| If to the Underwriter: | Stephens Inc. 445 North Blvd., Suite 802 Baton Rouge, LA 70802 Facsimile: (225) 214-4898 Attention: Toby Cortez, Vice President |

SECTION 10 APPLICABLE LAW; NONASSIGNABILITY

The Bond Purchase Agreement shall be governed by the laws of the State. This Bond Purchase Agreement shall not be assigned by any party.

**SECTION 11
NO LIABILITY**

No individual member, officer, agent or employee of any of the parties hereto will be charged personally with any liability, or held liable under any term or provision of this Bond Purchase Agreement because of his or her execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

**SECTION 12
EXECUTION OF COUNTERPARTS**

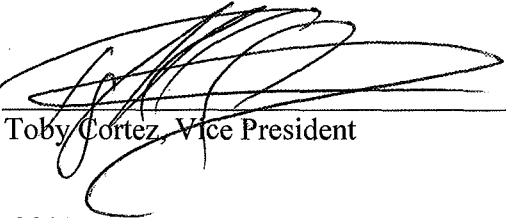
This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

[Remainder of this page intentionally left blank]

[SIGNATURE PAGE - BOND PURCHASE AGREEMENT]

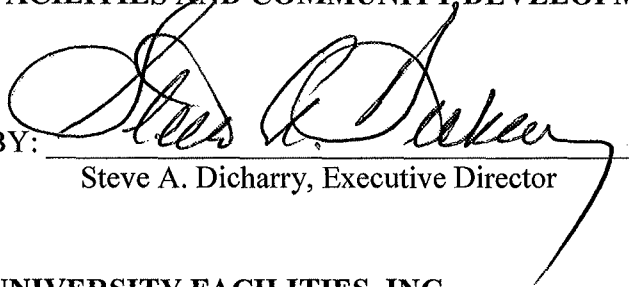
Sincerely,

STEPHENS INC., as Manager
on behalf of itself and Raymond James &
Company, Inc., as Co-Manager


By: 
Toby Cortez, Vice President

ACCEPTED THIS 5TH DAY OF NOVEMBER, 2013:

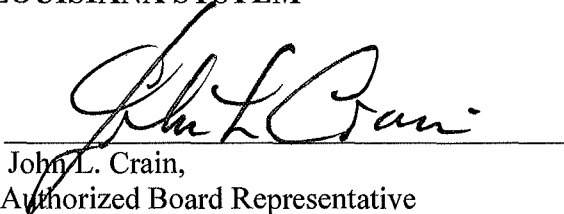
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY**

BY: 
Steve A. Dicharry, Executive Director

UNIVERSITY FACILITIES, INC.

BY: 
Joseph Morris, Executive Director

**BOARD OF SUPERVISORS FOR THE UNIVERSITY
OF LOUISIANA SYSTEM**

BY: 
John L. Crain,
Authorized Board Representative

SCHEDULE I

MATURITY SCHEDULE

\$36,445,000 SERIAL BONDS

| <u>Maturity (August 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>Price</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|
| 2014 | \$1,985,000 | 2.000% | 0.600% | 100.999% |
| 2014 | 700,000 | 3.000% | 0.600% | 101.713% |
| 2015 | 2,750,000 | 3.000% | 0.870% | 103.620% |
| 2016 | 2,855,000 | 4.000% | 1.150% | 107.599% |
| 2017 | 2,970,000 | 4.000% | 1.500% | 109.002% |
| 2018 | 3,105,000 | 5.000% | 1.900% | 113.919% |
| 2019 | 3,265,000 | 5.000% | 2.380% | 113.922% |
| 2020 | 3,415,000 | 5.000% | 2.780% | 113.512% |
| 2021 | 3,585,000 | 5.000% | 3.140% | 112.654% |
| 2022 | 3,775,000 | 5.000% | 3.380% | 112.137% |
| 2023 | 2,045,000 | 3.250% | 3.570% | 97.388% |
| 2023 | 1,890,000 | 5.000% | 3.570% | 111.648% |
| 2024 | 305,000 | 3.500% | 3.720% | 98.066% |
| 2024 | 1,500,000 | 4.500% | 3.720% | 106.306%* |
| 2024 | 2,300,000 | 5.000% | 3.720% | 110.352%* |

*Priced to August 1, 2023 optional par call

\$4,465,000 4.00% Term Bonds due August 1, 2026, Yield 4.125%

Upon delivery of the Series 2013 Bonds (as hereinafter defined), Jones Walker LLP, Bond Counsel, will render its opinion that, assuming continuing compliance with certain covenants to satisfy the applicable requirements of the Internal Revenue Code of 1986 as amended (the "Code"), and subject to the matters discussed under the caption "TAX EXEMPTION" herein, under the law existing on the date thereof, interest on the Series 2013 Bonds will (i) be excludable from gross income of the beneficial owners thereof for federal income tax purposes and (ii) will not be an item of tax preference for purposes of determining the alternative minimum tax imposed on individuals and corporations under Section 57(a)(5) of the Code. Interest on the Series 2013 Bonds will be included in calculating a corporation's adjusted current earnings for purposes of determining the corporation's alternative minimum taxable income. In addition, Bond Counsel will render an opinion that, pursuant to the Refunding Act (as hereinafter defined), the Series 2013 Bonds, and the income therefrom, are exempt from all taxation by the State of Louisiana or any political subdivision thereof. See "TAX EXEMPTION" herein.



\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

Dated: Date of Delivery

Due: August 1, as shown on the inside cover

This Official Statement is available at www.MuniOS.com and www.msrb.org.

The above captioned bonds (the "Series 2013 Bonds") are being issued by the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority") to provide funds (i) to refund the Authority's outstanding Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A, issued in the original principal amount of \$60,985,000 and currently outstanding in the aggregate principal amount of \$52,230,000 (the "Series 2004A Bonds"), and (ii) to pay the costs of issuance of the Series 2013 Bonds.

The Series 2004A Bonds, along with the Authority's \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the "Series 2004B Bonds" and together with the Series 2004A Bonds, the "Series 2004 Bonds") were issued pursuant to a Trust Indenture dated as of August 1, 2004 (the "Original Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as Trustee (the "Trustee"). The proceeds of the Series 2004 Bonds were loaned to University Facilities, Inc., a Louisiana non-profit corporation (the "Corporation"), pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Original Loan Agreement"), for the purpose of financing the cost of refinancing existing debt associated with the Existing Facilities (as defined herein), as well as acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities and the renovation of Cardinal Newman Hall (the "New Facilities" and together with the Existing Facilities, the "Housing Facilities") for Southeastern Louisiana University (the "University") located on immovable property owned by or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "Board") in the City of Hammond, Parish of Tangipahoa, State of Louisiana (the "Property"), which Housing Facilities have been leased to the Board on behalf of the University.

Pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes, as amended (the "LCDA Act") and Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes, as amended (the "Refunding Act" and together with the LCDA Act, the "Act"), the Authority is authorized to issue the Series 2013 Bonds to refund the Series 2004A Bonds. The proceeds of the Series 2013 Bonds will be loaned to the Corporation pursuant to the Original Loan Agreement, as supplemented by a First Supplemental Loan and Assignment Agreement between the Corporation and the Authority (the "First Supplemental Loan Agreement" and together with the Original Loan Agreement dated as of November 1, 2013, the "Loan Agreement"). Pursuant to the Loan Agreement, the Corporation will assign its rights under the Facilities Lease (as hereinafter defined), including its rights to all Base Rental received thereunder, to the Authority and has agreed to make timely payments of principal of, premium, if any, and interest on the Series 2013 Bonds from Series 2004 Lawfully Available Funds (as hereinafter defined), including, but not limited to, revenues derived from the Housing Facilities and certain Auxiliary Revenues. See "SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS" herein.

THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

The Series 2013 Bonds will be subject to optional, extraordinary and mandatory sinking fund redemption, as further described herein.

AN INVESTMENT IN THE SERIES 2013 BONDS INVOLVES A DEGREE OF RISK BECAUSE OF THE VARIOUS RISKS DESCRIBED HEREIN. See "BONDHOLDERS' RISKS" herein.

The Series 2013 Bonds are offered when, as, and if issued by the Authority and received by the Underwriter and are subject to prior sale and the approval of legality by Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the Authority by Breithaupt, Dunn, DuBos, Shafto & Wolleson, LLC, Monroe, Louisiana; for the Corporation by Seale & Ross, A Professional Law Corporation, Hammond, Louisiana; for the Board by DeCuir, Clark & Adams, L.L.P., Baton Rouge, Louisiana; and for the Underwriters by Butler Snow LLP, Baton Rouge, Louisiana. Delivery of the Series 2013 Bonds to DTC in New York, New York is expected on or about November 13, 2013.

STEPHENS INC.

RAYMOND JAMES[®]

The date of this Official Statement is November 5, 2013. This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

MATURITY SCHEDULE

\$40,910,000

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013

| <u>Maturity (August 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>Price</u> | <u>CUSIP¹</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------|
| 2014 | \$1,985,000 | 2.000% | 0.600% | 100.999% | 546282VT8 |
| 2014 | 700,000 | 3.000% | 0.600% | 101.713% | 546282VU5 |
| 2015 | 2,750,000 | 3.000% | 0.870% | 103.620% | 546282VV3 |
| 2016 | 2,855,000 | 4.000% | 1.150% | 107.599% | 546282VW1 |
| 2017 | 2,970,000 | 4.000% | 1.500% | 109.002% | 546282VX9 |
| 2018 | 3,105,000 | 5.000% | 1.900% | 113.919% | 546282VY7 |
| 2019 | 3,265,000 | 5.000% | 2.380% | 113.922% | 546282VZ4 |
| 2020 | 3,415,000 | 5.000% | 2.780% | 113.512% | 546282WA8 |
| 2021 | 3,585,000 | 5.000% | 3.140% | 112.654% | 546282WB6 |
| 2022 | 3,775,000 | 5.000% | 3.380% | 112.137% | 546282WC4 |
| 2023 | 2,045,000 | 3.250% | 3.570% | 97.388% | 546282WD2 |
| 2023 | 1,890,000 | 5.000% | 3.570% | 111.648% | 546282WE0 |
| 2024 | 305,000 | 3.500% | 3.720% | 98.066% | 546282WF7 |
| 2024 | 1,500,000 | 4.500% | 3.720% | 106.306%* | 546282WG5 |
| 2024 | 2,300,000 | 5.000% | 3.720% | 110.352%* | 546282WH3 |

\$4,465,000 4.00% Term Bonds due August 1, 2026, Yield 4.125%, Price 98.767%, CUSIP 546282WJ9

*Priced to August 1, 2023 optional par call

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. The CUSIP numbers are provided for convenience of reference only. Neither the Authority, the Corporation, the Board nor the Underwriter take any responsibility for the accuracy of such CUSIP numbers.

NO DEALER, BROKER, SALESMAN, OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE AUTHORITY, THE CORPORATION, OR THE UNDERWRITER. 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 2013 BONDS BY ANY PERSON IN ANY STATE IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION, OR SALE.

THE INFORMATION SET FORTH HEREIN CONCERNING THE DEPOSITORY TRUST COMPANY (“DTC”) HAS BEEN FURNISHED BY DTC AND NO REPRESENTATION IS MADE BY THE AUTHORITY, THE CORPORATION, THE BOARD OR THE UNDERWRITERS AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE AUTHORITY, THE CORPORATION, THE BOARD, THE UNIVERSITY, OR OTHER SOURCES THAT ARE DEEMED TO BE RELIABLE. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH AND AS PART OF ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAW AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION BUT SUCH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE UNDERWRITERS.

BY ITS PURCHASE OF THE SERIES 2013 BONDS, AN INVESTOR IS ACKNOWLEDGING THAT IT HAS REVIEWED ALL THE INFORMATION IT DEEMS NECESSARY TO MAKE AN INFORMED DECISION, AND THAT IT IS NOT RELYING ON ANY REPRESENTATION OF THE UNDERWRITERS OR ANY OF THEIR OFFICERS, REPRESENTATIVES, AGENTS, OR DIRECTORS IN REACHING ITS DECISION TO PURCHASE THE SERIES 2013 BONDS.

THE INVESTOR, BY ITS PURCHASE OF THE 2013 BONDS, ACKNOWLEDGES ITS CONSENT FOR THE UNDERWRITERS TO RELY UPON THE INVESTOR’S UNDERSTANDING OF AND AGREEMENT TO THE PRECEDING TWO PARAGRAPHS AS SUCH RELATES TO THE DISCLOSURE AND FAIR DEALING OBLIGATIONS THAT MAY BE APPLICABLE TO THE UNDERWRITERS UNDER APPLICABLE SECURITIES LAWS AND REGULATIONS.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE AUTHORITY, THE UNIVERSITY, THE BOARD, THE CORPORATION AND THE UNDERWRITERS AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2013 BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT.

THE AUTHORITY HAS PROVIDED ONLY THAT INFORMATION IN THIS OFFICIAL STATEMENT THAT IS CONTAINED UNDER THE HEADING “**THE AUTHORITY**” AND, AS TO THE AUTHORITY, UNDER THE HEADING “**LITIGATION - The Authority.**” THE AUTHORITY HAS NOT FURNISHED OR VERIFIED ANY OTHER INFORMATION OR STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT AND IS NOT RESPONSIBLE FOR THE SUFFICIENCY, COMPLETENESS, OR ACCURACY OF SUCH OTHER INFORMATION OR STATEMENTS.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2013 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2013 BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND NEITHER THE AUTHORITY NOR THE UNDERWRITERS INTEND TO LIST THE SERIES 2013 BONDS ON ANY STOCK OR OTHER SECURITY EXCHANGE. THE SECURITIES AND EXCHANGE COMMISSION HAS NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. WITH RESPECT TO THE VARIOUS STATES IN WHICH THE SERIES 2013 BONDS MAY BE OFFERED, NO ATTORNEY GENERAL, STATE OFFICIAL, STATE AGENCY OR BUREAU, OR OTHER STATE OR LOCAL GOVERNMENTAL ENTITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE SERIES 2013 BONDS.

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| INTRODUCTORY STATEMENT | 1 |
| Authority and Purpose | 1 |
| Security Arrangements | 1 |
| Limited Liability | 2 |
| Definitions | 2 |
| THE AUTHORITY | 3 |
| General | 3 |
| Participating Political Subdivisions | 3 |
| Governance | 3 |
| Authorizing Resolution | 4 |
| THE UNIVERSITY | 4 |
| THE BOARD | 5 |
| General | 5 |
| Membership | 5 |
| Administrative Officers | 6 |
| THE CORPORATION | 6 |
| PLAN OF REFUNDING | 7 |
| THE SERIES 2004 BONDS | 7 |
| SOURCES AND USES OF FUNDS | 7 |
| THE HOUSING FACILITIES | 8 |
| THE SERIES 2013 BONDS | 8 |
| General | 8 |
| Redemption Prior to Maturity | 9 |
| Partial Redemption of Series 2013 Bonds | 10 |
| Notice of Redemption | 10 |
| Book-Entry Only System | 10 |
| Series 2013 Bonds Are Limited Obligations | 12 |
| THE GROUND LEASE | 13 |
| General | 13 |
| Default and Remedies | 13 |
| THE FACILITIES LEASE | 14 |
| General | 14 |
| Rental | 14 |
| Extraordinary Rental Payments | 14 |
| Rate Maintenance Covenant | 14 |
| Additional Student Housing Facilities/Additional Debt | 15 |
| Undergraduate Residency Requirement | 15 |
| Insurance | 15 |
| Condemnation, Casualty, and Other Damage | 17 |
| Application of Insurance Proceeds: Condemnation Award | 17 |
| Default by the Board | 18 |
| Cumulative Remedies | 18 |
| Non-Appropriation of Funds | 19 |

| | |
|--|----|
| SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS | 19 |
| Housing Occupancy | 19 |
| Historical Debt Service Coverage | 20 |
| Trust Estate..... | 21 |
| Mortgage | 21 |
| Limitation of Authority’s Obligations..... | 22 |
| Funds and Accounts | 22 |
| | |
| BONDHOLDERS’ RISKS | 25 |
| Introduction | 25 |
| Series 2004 Lawfully Available Funds | 26 |
| Special Nature of the Housing Facilities | 26 |
| Selective Admissions Standards..... | 26 |
| Operating Budget Environment..... | 26 |
| Appropriation of Rental by the Board..... | 27 |
| Litigation | 27 |
| Risk Factors Inherent in Higher Education | 27 |
| Effect of Determination of Taxability | 27 |
| Consequences of Changes in the Corporation’s or the University’s Tax Status | 28 |
| Taxation of Bonds | 28 |
| Changes in Federal and State Tax Law | 28 |
| Market for the Bonds..... | 29 |
| | |
| LITIGATION | 29 |
| The Authority | 29 |
| The Corporation | 29 |
| | |
| CONFLICTS OF INTEREST; RELATIONSHIPS | 29 |
| | |
| TAX EXEMPTION | 29 |
| General | 29 |
| Changes in Federal and State Tax Law | 30 |
| Tax Treatment of Premium | 30 |
| Tax Treatment of Original Issue Discount | 31 |
| Non-Qualified Tax-Exempt Obligations for Financial Institutions..... | 31 |
| Louisiana Taxes..... | 31 |
| | |
| UNDERWRITING | 31 |
| | |
| RATING OF THE SERIES 2013 BONDS | 32 |
| | |
| LEGAL MATTERS | 32 |
| | |
| CONTINUING DISCLOSURE | 32 |
| | |
| FINANCIAL ADVISOR TO THE UNIVERSITY | 33 |
| | |
| MISCELLANEOUS | 33 |
| | |
| APPENDIX A – Demographic and Summary Financial Information Related to the University | |
| APPENDIX B – Forms of Principal Financing Documents | |
| APPENDIX C – Form of Bond Counsel Opinion | |
| APPENDIX D – Form of Continuing Disclosure Certificate | |
| APPENDIX E – Schedule of Series 2004A Bonds | |

OFFICIAL STATEMENT

\$40,910,000
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY**
REVENUE REFUNDING BONDS
**(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)**
SERIES 2013

INTRODUCTORY STATEMENT

This Official Statement, including the cover page and the Appendices hereto, furnishes certain information in connection with the sale by the Louisiana Local Government Environmental Facilities and Community Development Authority (the “**Authority**”) of \$40,910,000 in aggregate principal amount of its Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2013 (the “**Series 2013 Bonds**”) to be issued by the Authority pursuant to a Trust Indenture dated as of August 1, 2004 (the “**Original Indenture**”), between the Authority and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as Trustee (the “**Trustee**”), as amended and supplemented by a First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee (the “**Supplemental Indenture**” and together with the Original Indenture, the “**Indenture**”).

Authority and Purpose

The Series 2013 Bonds are to be issued by the Authority, pursuant to and in accordance with the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes, as amended (the “**LCDA Act**”) and Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes, as amended (the “**Refunding Act**” and together with the LCDA Act, the “**Act**”) and the proceeds of the Series 2013 Bonds will be loaned by the Authority to University Facilities, Inc. (the “**Corporation**”), a non-profit corporation organized under the laws of the State of Louisiana (the “**State**”), for the benefit of the University for the purpose of providing funds (i) to refund the Authority’s outstanding Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A, issued in the original principal amount of \$60,985,000 and currently outstanding in the aggregate principal amount of \$52,230,000 (the “**Series 2004A Bonds**”), and (ii) to pay the costs of issuance of the Series 2013 Bonds.

Security Arrangements

The Series 2013 Bonds are secured pursuant to the Indenture by: (i) all right, title, and interest of the Authority in, to and under the Loan Agreement, the Ground Lease and the Facilities Lease, and (ii) moneys held in funds and accounts (other than the Rebate Fund) established pursuant to the Indenture (the “**Trust Estate**”).

Pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 and a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013, all by and between the Board of Supervisors for the University of Louisiana System (the “**Board**”) and the Corporation (collectively, the “**Ground Lease**”), the Board has leased to the Corporation the property (the “**Property**”) upon which the Housing Facilities are located, and the Housing Facilities will be leased back to, and operated by, the Board pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 and a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013, all between the Corporation, as lessor, and the Board, as lessee (collectively, the “**Facilities Lease**”).

In consideration of the Corporation entering into the Ground Lease and the Facilities Lease, the Board will covenant to make payments of Base Rental, in an amount sufficient to pay debt service on the Series 2013 Bonds from

Series 2004 Lawfully Available Funds, including, but not limited to, revenues derived from the Housing Facilities and certain Auxiliary Revenues. See “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS**” herein.

For purposes herein, “Series 2004 Lawfully Available Funds” means all unrestricted funds available to the University and appropriated by the Board to make rental payments from any source, including all revenues actually received from any source by, or on behalf of the Board or the University with respect to the Housing Facilities and any Additional Housing Facilities (as defined in the Facilities Lease), including without duplication, all collected rents and other charges for the use or occupancy of the Housing Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Housing Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants’ security deposits unless and until applied in satisfaction of tenants’ obligations as provided for in the Management Agreement and excluding refunds and reimbursements due to students in accordance with University policy (the “**Rents**”).

The Mortgage (as defined herein) secures the Corporation’s leasehold interest in the Property and secures payments of the Series 2004 Bonds and any Additional Bonds, including the Series 2013 Bonds. The Corporation also granted the Trustee a first priority security interest in the leases and subleases affecting the Property and/or the Housing Facilities, including, without limitation, the Facilities Lease and all revenues, rentals and other sums due or becoming due under the leases. See “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Mortgage.**” See also “**BONDHOLDERS’ RISK – Special Nature of the Housing Facilities**” for a discussion on the limited use nature of the Housing Facilities.

The Ground Lease and the Facilities Lease also include certain property on which an intermodal parking facility and a stadium expansion were constructed with the proceeds of the Authority’s Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project), Series 2007 (the “**Series 2007 Bonds**”). The Board’s payment obligations under the Facilities Lease related to the Series 2007 Bonds are payable from Student Parking Fees and Auxiliary Revenues (both as defined in the Facilities Lease). The Series 2013 Bonds are payable from Series 2004 Lawfully Available Funds, as described above, and are not secured by the same primary source of revenues as the Series 2007 Bonds. The Series 2013 Bonds, the Series 2004B Bonds and the Series 2007 Bonds are secured equally by Auxiliary Revenues.

The payment obligations of the Board pursuant to the Facilities Lease related to the Series 2013 Bonds are payable from Series 2004 Lawfully Available Funds on a parity with its payment obligations related to the Series 2004B Bonds. See “**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS**” herein.

Limited Liability

The Series 2013 Bonds are limited and special obligations of the Authority payable solely from and secured by an assignment and pledge of the Trust Estate pursuant to the Indenture. No other assets of the Authority are available for payment of the principal of, premium, if any, or interest on the Series 2013 Bonds.

Definitions

Certain capitalized terms used in this Official Statement and not otherwise defined herein shall have the meaning given to such terms in “**FORMS OF PRINCIPAL FINANCING DOCUMENTS**” attached as “**APPENDIX B**” hereto.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Authority, the Corporation, the Board, the University, the Housing Facilities, the Series 2013 Bonds, the Loan Agreement, the Ground Lease, the Facilities Lease, and the Indenture. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Ground Lease, the Facilities Lease, the Loan Agreement, and the Indenture are qualified in their entirety by reference to such documents, and references herein to the Series 2013 Bonds are qualified in their entirety to the forms thereof included in the Indenture.

THE AUTHORITY

General

The Louisiana Local Government Environmental Facilities and Community Development Authority (the “**Authority**”) is a political subdivision of the State of Louisiana, organized under the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La R.S. 33:4548.1 through 33:4548.16) (the “**LCDA Act**”). The purpose of the Authority is, among others enumerated in the LCDA Act, to assist in financing programs or loans to political subdivisions (as defined in the LCDA Act) in the State of Louisiana. In furtherance of its authorized powers and functions, the Authority has the power, by virtue of the LCDA Act and the Refunding Act, to issue the Series 2013 Bonds, to loan the proceeds thereof to the Corporation and to secure the Series 2013 Bonds by a pledge of the amounts payable by the Corporation under the Loan Agreement.

Participating Political Subdivisions

Any political subdivision of the State may participate as a member of the Authority.

Governance

The Authority is governed by a Board of Directors whose membership is limited to those representatives of political subdivisions of the State maintaining membership in the Authority (each a “**Participating Political Subdivision**”) whose governing authorities have adopted a resolution indicating their intention to participate in the Authority. Each Participating Political Subdivision may appoint a Director in accordance with the LCDA Act. Directors are appointed for two (2) year terms and may be removed for just cause. Officers are elected by and from the ranks of the members of the Board of Directors and consist of a Chairman, Vice-Chairman and Secretary-Treasurer. Officers serve one (1) year terms and may not be re-elected for successive terms in any one office.

Pursuant to the Authority’s by-laws, the Board of Directors has established an Executive Committee (the “**Executive Committee**”) and, in accordance with the LCDA Act, delegated certain duties and authorities to the Executive Committee. The Executive Committee consists of seven members, three of whom are the officers of the Authority and serve as ex-officio members for as long as they remain officers of the Board of Directors. The remaining four (4) members are elected at an annual meeting of the Board of Directors and serve as at-large members with one member elected for a term of one (1) year, one member elected for a term of two (2) years, one member elected for a term of three (3) years and one member elected for a term of four (4) years. An at-large member may not be re-elected to the Executive Committee as an at-large member and his successor shall be elected for a four (4) year term. The Executive Committee is required to make an annual report to the Board of Directors at its annual meeting. Provision is made in the by-laws to make the minutes of all Executive Committee meetings available to members of the Board of Directors.

The current members of the Executive Committee, their positions, terms of office and respective Participating Political Subdivision are as follows:

| <u>Present Committee Members</u> | <u>Position</u> | <u>Term Expires</u> | <u>Participating Political Subdivision</u> |
|----------------------------------|---------------------|---------------------|--|
| William A. Lazaro, Jr. | Chairman | 12/31/13 | Jefferson Parish |
| Lynn Austin | Vice Chairman | 12/31/13 | City of Bossier |
| Mayor Billy D’Aquila | Secretary-Treasurer | 12/31/13 | Town of St. Francisville |
| Mary S. Adams | Member | 12/31/13 | Varnado Waterworks District |
| Julian Dufreche | Member | 12/31/14 | Tangipahoa Parish Clerk of Court |
| Mack Dellafosse | Member | 12/31/15 | Calcasieu Parish School Board |
| Mayor David Camardelle | Member | 12/31/16 | Town of Grand Isle |

The address of the Authority is 8712 Jefferson Highway, Suite A, Baton Rouge, Louisiana 70809. The Executive Director of the Authority is Steve A. Dicharry. Mr. Dicharry received his degree in finance from Louisiana State University. He worked as a cash and investment manager for Cajun Electric Power Co-Op, and as debt analyst

and senior debt analyst for the Louisiana State Bond Commission. In February, 2003, Mr. Dicharry joined the staff of the Authority as Assistant Director and has served as Executive Director of the Authority since March, 2004.

Authorizing Resolution

The Series 2013 Bonds were authorized by resolutions adopted by the Executive Committee on August 8, 2013 and October 10, 2013, in an amount not to exceed \$55,000,000.

THE UNIVERSITY

The University is located in Hammond, Louisiana, the heart of Louisiana's "Florida Parishes." Hammond is located at the intersection of Interstate Highways 55 and 12, approximately sixty (60) miles north of New Orleans, Louisiana's largest city, and forty (40) miles east of Baton Rouge, the state's capital. The University has a current enrollment of approximately 15,000 students with a faculty and staff population of approximately 1,300.

The University is the outgrowth of Hammond Junior College, which was established in 1925. By Act No. 136 of the Louisiana Legislature of 1928, the institution was made part of the state educational system under control of the State Board of Education. The same act of the legislature granted the college the right to establish four-year curricula and to grant the baccalaureate degrees when the facilities of the college permitted and the State Board approved.

In 1937, the State Board of Education authorized the President of the University to submit curricula extending through four years and leading to the baccalaureate degrees. Four-year curricula in the liberal arts, teacher education, business administration, music, the social sciences, and health and physical education were submitted to the State Board and were formally approved. The first degrees were conferred in May, 1939.

On July 15, 1970, the Hon. John J. McKeithen, Governor of the State of Louisiana, signed the legislative act changing the name of the institution to Southeastern Louisiana University.

The 1974 Constitution of the State of Louisiana created the Louisiana State Board of Regents with certain powers, duties, and responsibilities relative to all public institution of higher education in the State of Louisiana. The 1974 Constitution also established three higher education management boards, placing the University under the Board of Trustees for State Colleges and Universities (now known as the University of Louisiana System).

Act 915 of the 2008 Regular Session of the Louisiana Legislature ("Act 915") authorized Louisiana public postsecondary institutions through their governing boards to assess a certain percentage tuition increase based on the disparity of the institution's tuition rate compared to their peers in the South as reported by the Southern Regional Education Board (SREB). For the first time, the Legislature authorized a rate increase to be applied over multiple years for undergraduates and certificate students. The University was permitted to raise tuition up to five percent (5%) per year for four (4) years (2008-09, 2009-10, 2010-11 and 2011-12).

Act 741 of the 2010 Regular Session of the Louisiana Legislature, titled the Louisiana Granting Resources and Autonomy for Diplomas (LaGRAD) Act, built on the precedent set by Act 915 by authorizing tuition increases of up to ten percent (10%) annually for six (6) years based on continual performance improvement of schools and universities. The tuition-for-performance authority created a longer term budget planning capability that had not existed under periodic, one-time approvals of rate increases. The LaGRAD Act was amended by Act 418 of the 2011 Regular Session of the Louisiana Legislature by adding an extensive array of administrative autonomies similar to those of other universities in other states, such as procurement, investment flexibility, risk management and facility project management.

The University's financial statements can be accessed at <http://www.southeastern.edu/admin/controller/annual-reports/index.html>.

For summary financial and statistical information regarding the University, see "APPENDIX A – DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION RELATED TO THE UNIVERSITY."

THE BOARD

General

The Board is a public constitutional corporation and agency of the State whose responsibility is the supervision and management of State colleges and universities not managed by a separate higher education board created by the Louisiana Constitution. The colleges and universities supervised by the Board are the following: Grambling State University, Grambling, Louisiana; Louisiana Tech University, Ruston, Louisiana; McNeese State University, Lake Charles, Louisiana; Nicholls State University, Thibodaux, Louisiana; Northwestern State University, Natchitoches, Louisiana; Southeastern Louisiana University, Hammond, Louisiana; University of Louisiana at Lafayette, Lafayette, Louisiana; University of Louisiana at Monroe, Monroe, Louisiana and University of New Orleans, New Orleans, Louisiana.

The Board adopted a resolution on August 20, 2013, authorizing the execution of the Ground Lease and the Facilities Lease.

Membership

The Board is governed by a sixteen (16)-member Board of Supervisors. Members are appointed by the Governor and serve six (6)-year overlapping terms (except for the student member whose term is one (1) year) or until their successors are appointed, whichever occurs later. There are two (2) members from each congressional district, one (1) at-large member and one student member. The current Board members are as follows:

| <u>Name</u> | <u>Profession/Occupation</u> | <u>Term Ends</u> |
|-------------------------------|--|------------------|
| Mr. John Condos | President/Owner Wilcar Exploration LLC Digikast LLC Medical Legal Solutions LLC MedTek Specialties LLC | 12/31/18 |
| Mr. Andre G. Coudrain | Attorney Cashe Coudrain & Sandage | 12/31/14 |
| Mr. Edward J. Crawford III | Partner Atco Investment Co. | 12/31/14 |
| Dr. Kelly Faircloth | Chiropractor Faircloth Chiropractic Clinic | 12/31/16 |
| Mr. David Guidry | President/CEO Guico Industries | 12/31/14 |
| Mr. E. Gerald Hebert | President Patriot Services Corporation | 12/31/16 |
| Mr. John LeTard | Pharmacist Owner, Medical Pharmacy Owner, Medical Pharmacy West | 12/31/16 |
| Mr. Davante Lewis | Student | 5/31/14 |
| Mr. Jimmy D. Long, Sr. | Retired State Legislator | 12/31/18 |
| Mr. Jimmie "Beau" Martin, Jr. | Sales & Operation Manager/Owner B & J Martin, Inc. Martin Quarters, L.L.C. | 12/31/18 |
| Mr. D. Wayne Parker | Retired | 12/31/14 |
| Mr. Mark Romero | Executive Vice President/Profit Center Leader Brown & Brown of Louisiana, Inc. | 12/31/18 |

| | | |
|------------------------|--|----------|
| Mr. Carl Shetler | Retired Owner, Car Dealership | 12/31/16 |
| Mr. Robert Shreve | Owner/Chairman/CEO Gulf South Business Systems & Consultants, Inc. | 12/31/18 |
| Mr. Winfred F. Sibille | Retired Educator | 12/31/18 |
| Mr. Gary Solomon | Chairman Crescent Bank and Trust | 12/31/18 |

Administrative Officers

Dr. Sandra K. Woodley, President. Dr. Woodley was appointed as President of the University of Louisiana System in January, 2013. Prior to becoming President of the University of Louisiana System, Dr. Woodley served as Vice-Chancellor for Strategic Initiatives for the University of Texas System where for two years she was responsible for strategic planning, policy research, and accountability for the University of Texas System composed of sixteen academic and health institutions. She also served as the liaison for the Chancellor for the Board of Regents on two high level Regents' task forces and blended an online learning and university excellence and productivity. Prior to her work in Texas, Dr. Woodley served as Strategic Planner and Chief Financial Officer for the Arizona University System; Vice President for Finance, Planning and Performance for the Kentucky Council on Post-Secondary Education; and Associate Executive Director for the Alabama Commission of Higher Education overseeing finance, performance and institutional research and information systems.

Dr. Woodley's academic credentials include a Bachelor of Science in Business Administration and a Master of Business Administration from Auburn University, and a Doctorate in Business Administration and Management earned at Nova Southeastern University.

Mr. Robbie Robinson, Vice President for Business and Finance. Mr. Robinson is a Certified Public Accountant and the Vice President of Business and Finance for the University of Louisiana System. Prior to November 2010, he served four years as the Director of Internal and External Audits for the University of Louisiana System. Formerly, he was First Assistant Legislative Auditor with over 28 years of governmental auditing experience with the Louisiana Legislative Auditor's Office, plus 5 years of governmental accounting, budgeting, and financial experience with the Department of Health and Hospitals and Teachers Retirement System of Louisiana.

Mr. Robinson has participated in five National State Auditors Association's quality control reviews on the operations of the state auditors of South Carolina, Tennessee, Missouri (team leader), Nebraska (team leader), and Oklahoma (concurring reviewer). He served as a reviewer on the Governmental Finance Officers Association Certificate of Achievement Program for over 16 years, as well as serving as a reviewer for the Association of School Board Officials. Mr. Robinson has also taught governmental accounting at Southern University in Baton Rouge.

In 1991 and 1996, Mr. Robinson received the Society of Louisiana Certified Public Accountants' Special Recognition Award for outstanding leadership and service to the CPA profession by directing efforts for the resolution of issues concerning local government audits in Louisiana. He received a Bachelor of Science degree in Accounting from LSU.

The Board's financial statements can be accessed at [http://app1.la.state.la.us/PublicReports.nsf/EDBC4D7798ABD12F86257B27004F3331/\\$FILE/000304C3.pdf](http://app1.la.state.la.us/PublicReports.nsf/EDBC4D7798ABD12F86257B27004F3331/$FILE/000304C3.pdf).

THE CORPORATION

The Corporation is a Louisiana non-profit corporation created exclusively to promote, assist, and benefit the educational, scientific, research, and public service mission of the University by engaging in any lawful activity in which a non-profit corporation meeting the requirements of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") may participate. The business affairs of the Corporation are administered by a Board of four (4) Directors, who also comprise the entire membership of the Corporation. Officers of the

Corporation are the President/Chairman, Vice Chairman and Secretary/Treasurer. Information concerning the members of the Board of Directors of the Corporation is set forth below:

| <u>Name</u> | <u>Position</u> | <u>Term Expires</u> |
|--------------------|--------------------|---------------------|
| Phil K. Livingston | President/Chairman | June 30, 2015 |
| Jack Gautier | Vice Chairman | June 30, 2014 |
| Stephen M. Smith | Member | June 30, 2016 |
| Marcus Naquin | Member | June 30, 2016 |

Management of the Corporation has been delegated to Joseph Morris, as the Executive Director and Secretary/Treasurer. See “**CONFLICTS OF INTEREST; RELATIONSHIPS**” herein.

In accordance with its Articles of Incorporation, the Corporation may specifically engage in acquiring, constructing, developing, managing, leasing, mortgaging, or conveying student housing and other facilities on the campus of the University.

PLAN OF REFUNDING

On the Closing Date, the Trustee will fund the Escrow Fund with such amounts from the proceeds of the Series 2013 Bonds, that, together with transfers from certain Series 2004 Bond funds and a Board Contribution, will be sufficient to pay in full all principal of and interest on the Series 2004A Bonds on August 1, 2014 (the “**Redemption Date**”). For a list of the Series 2004A Bonds, see “**APPENDIX E – SCHEDULE OF SERIES 2004A BONDS**.” Prior to the Redemption Date, moneys in the Escrow Fund will be invested in accordance with the Escrow Agreement.

THE SERIES 2004 BONDS

The Series 2004A Bonds, along with the Series 2004B Bonds were issued on August 13, 2004 to finance the New Facilities (as hereinafter defined) and refinance existing debt related to the Existing Facilities (as hereinafter defined). The Series 2004A Bonds will be refunded in full with the proceeds of the Series 2013 Bonds, along with certain other funds available therefor. The Series 2004B Bonds, in the current outstanding amount of \$15,000,000, will remain outstanding and will be secured by and payable from Series 2004 Lawfully Available Funds, on a parity with the Series 2013 Bonds.

SOURCES AND USES OF FUNDS

The following table sets forth the sources and uses of funds in connection with the issuance of the Series 2013 Bonds:

Sources of Funds

| | |
|--------------------------------------|------------------------|
| Par Amount of Series 2013 Bonds | \$40,910,000.00 |
| Transfer from Series 2004 Bond Funds | 5,644,553.97 |
| Board Contribution | 7,500,000.00 |
| Net Reoffering Premium | <u>3,314,138.35</u> |
| Total Sources of Funds | \$57,368,692.32 |

Uses of Funds

| | |
|--|------------------------|
| Deposit to Escrow Fund | \$54,700,058.18 |
| Deposit to Series 2013 Debt Service Reserve Fund | 2,045,500.00 |
| Costs of Issuance (including Underwriter’s Discount) | <u>623,134.14</u> |
| Total Uses of Funds | \$57,368,692.32 |

THE HOUSING FACILITIES

The Housing Facilities encompass all of the University's on-campus housing, including Zachary Taylor Hall and the University's apartment-style housing, Southeastern Oaks and The Village (the "**Existing Facilities**"), along with newly constructed student housing facilities containing a total of 1,509 beds and a renovated Cardinal Newman Hall containing 94 beds, as well as related common area facilities, such as laundry rooms, community meeting rooms and tenant mail facilities (the "**New Facilities**" and together with the Existing Facilities, the "**Housing Facilities**"). Since the completion of the New Facilities in 2005, occupancy in the Housing Facilities has been at or near capacity. See "**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Housing Occupancy**" herein.

After substantial completion but prior to final acceptance, the University discovered certain defects in the construction of the New Facilities. The Corporation retained a construction expert and began to mitigate and repair the defects, while simultaneously filing suit against the developer/general contractor. The litigation was resolved and a substantial contribution was made by the Corporation to the Replacement Fund held pursuant to the Original Indenture. After several inspections of the New Facilities, the Corporation made, and continues to make, the necessary repairs and modifications to the New Facilities and, while no assurances can be given, the Corporation believes the monies available in the Replacement Fund will be sufficient to repair the New Facilities. At no point during the repairs has occupancy decreased and it is expected that any future repairs can be addressed with minimal impact to the occupants of the New Facilities.

See "**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Funds and Accounts- Replacement Fund**" for the current balance in the Replacement Fund available to make repairs to the Housing Facilities and "**SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Funds and Accounts- Receipts Fund**" for a description of the annual funding requirements for the Replacement Fund pursuant to the terms of the Indenture.

The University manages the Housing Facilities, through University Housing, a department within Auxiliary Services and the Division of Administration and Finance.

THE SERIES 2013 BONDS

General

The Series 2013 Bonds will be dated as of the date of issuance and delivery of the Series 2013 Bonds, and will bear interest at the rates per annum and mature on August 1 in the years and in the principal amounts indicated on the inside cover page of this Official Statement. Interest on the Series 2013 Bonds will be payable on each August 1 and February 1, commencing February 1, 2014.

The Series 2013 Bonds will be issued as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Series 2013 Bonds shall be issued initially as one certificate per maturity as set forth on the inside cover page hereof and shall be numbered from No. R-1 upwards. The Series 2013 Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("**DTC**"), New York, New York, which will act as the securities depository for the Series 2013 Bonds. Purchasers of the Series 2013 Bonds will not receive certificates representing their interest in the Series 2013 Bonds purchased. Purchases of the beneficial interests in the Series 2013 Bonds will be made in book-entry only form in authorized denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Any purchaser of beneficial interests in the Series 2013 Bonds must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of, premium, if any, and interest on such Bonds. See "**THE SERIES 2013 BONDS – Book-Entry Only System**" herein.

The principal of, and premium, if any, of the Series 2013 Bonds will be payable to the registered owners thereof upon surrender of the Series 2013 Bonds at the principal corporate trust office of the Trustee. The interest on the Series 2013 Bonds, when due and payable, will be paid by check or draft mailed by the Trustee on such due date to each person in whose name a Bond is registered, at the address(es) as they appear on the Bond Register maintained by the Trustee at the close of business on the applicable Record Date irrespective of any transfer or

exchange of the Series 2013 Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Authority shall default in payment of interest due on such Interest Payment Date, provided that the owners of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owners have requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice will be irrevocable until a new notice is delivered not later than a Record Date. In the event of any such default, such defaulted interest will be payable on a payment date established by the Trustee to the persons in whose names the Series 2013 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owners of the Series 2013 Bonds not fewer than fifteen (15) days preceding such special record date. Payment as aforesaid will be made in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

In the event any outstanding Series 2013 Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Authority may execute and, upon its request, the Trustee may authenticate a new Series 2013 Bond of the same principal amount and of like tenor as the mutilated, lost or stolen or destroyed Series 2013 Bond; provided that, in the case of any mutilated Series 2013 Bond, such mutilated Series 2013 Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Series 2013 Bond, there shall be first furnished to the Authority and the Trustee evidence of such loss, theft or destruction in form satisfactory to the Authority and the Trustee, together with indemnity satisfactory to them. In the event any such Series 2013 Bond shall have matured, instead of issuing a substitute Series 2013 Bond the Authority may authorize the payment of the same. The Authority and the Trustee may charge the owner of such Series 2013 Bond with their reasonable fees and expenses in this connection.

Redemption Prior to Maturity

Optional Redemption. The Series 2013 Bonds maturing August 1, 2024 and thereafter, will be subject to redemption prior to maturity, at the option of the Corporation, upon written direction to the Authority, on or after August 1, 2023 as a whole at any time or in part on any Interest Payment Date, the maturity of said Series 2013 Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, and at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

Extraordinary Redemption. The Series 2013 Bonds will be redeemed as a whole or in part (in an integral multiple of \$5,000) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds, condemnation award or payment in lieu of condemnation with respect to the Housing Facilities will not be applied to the restoration, repair or reconstruction of the Housing Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, in an aggregate principal amount equal to the amount of such insurance proceeds, condemnation award or payment in lieu of condemnation not used for restoration, repair or reconstruction. If in part, the Series 2013 Bonds to be redeemed will be in the inverse order of their maturity and selected within a maturity by the Trustee in such manner as the Trustee may determine. If the amount of any insurance proceeds, condemnation award or payment in lieu of condemnation to be applied in redemption of the Series 2013 Bonds is not an integral multiple of \$5,000, the principal amount of Series 2013 Bonds to be redeemed will be decreased to the next lower multiple of \$5,000.

Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing on August 1, 2026, will be subject to mandatory redemption and payment prior to maturity on August 1 in each of the years set forth below, at 100% of the principal amounts plus accrued interest to the redemption date, without premium, as follows:

| Redemption Date (August 1) | Principal Amount |
|---------------------------------------|-----------------------------|
| 2025 | \$4,295,000 |
| 2026* | 170,000 |

* Final Maturity

Partial Redemption of Series 2013 Bonds

Unless otherwise specified above, if fewer than all of the Series 2013 Bonds are called for redemption, the Series 2013 Bonds to be redeemed will be in inverse order of their maturity, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed will be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond is called for redemption, a new Series 2013 Bond in a principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof.

Notice of Redemption

At least thirty (30) days before the redemption date of any Series 2013 Bonds, the Trustee will cause a notice of any such redemption, signed by an authorized officer of the Trustee, to be mailed, postage prepaid to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register but any defect in mailing of any such notice will not affect the validity of the proceedings for such redemption. Each notice will set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2013 Bonds then outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption will also state that on and after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided and money for payment of the redemption price being held in the Series 2013 Debt Service Fund in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed to the extent provided in the next paragraph, the Series 2013 Bonds so called for redemption will become due and payable at the redemption price provided for redemption of such Series 2013 Bonds or portions of Series 2013 Bonds on such date, interest on the Series 2013 Bonds or portions of Series 2013 Bonds called for redemption will cease to accrue, such Series 2013 Bonds or portions of Series 2013 Bonds will cease to be entitled to any benefit or security under the Indenture, and the owners of such Series 2013 Bonds or portions of Series 2013 Bonds will not have rights in respect thereof except to receive payment of the redemption price, and, in the case of a partial redemption, to receive Series 2013 Bonds for any unredeemed portion of Series 2013 Bonds.

In case part, but not all, of an Outstanding Series 2013 Bond shall be selected for redemption, the registered owner thereof or his legal representative shall present and surrender such Series 2013 Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Trustee will authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2013 Bond so surrendered, a new Series 2013 Bond.

Series 2013 Bonds and portions of Series 2013 Bonds that have been duly called for redemption under the provisions of the Indenture, or with respect to which irrevocable instructions to call for redemption have been given to the Trustee in form satisfactory to it, and for the payment of the redemption price for which moneys, or Defeasance Obligations, will be held by the Trustee in a segregated account in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, will not thereafter be deemed to be outstanding under the provisions of the Indenture and will cease to be entitled to any security or benefit under the Indenture other than the right to receive payment from such moneys.

Book-Entry Only System

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE AUTHORITY BELIEVES TO BE RELIABLE, BUT THE AUTHORITY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2013 Bonds. The Series 2013 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 bond will be issued for each maturity 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**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2013 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2013 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2013 Bond ("**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 2013 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 Series 2013 Bonds, except in the event that use of the book-entry system for the Series 2013 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2013 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 Series 2013 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2013 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2013 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 2013 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2013 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2013 Bonds may wish to ascertain that the nominee holding the Series 2013 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 2013 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2013 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 Authority 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 2013 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2013 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 Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by 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 Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, 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 2013 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2013 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2013 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

Notwithstanding any other provision described herein or contained in the Indenture to the contrary, so long as any Series 2013 Bond is registered in the name of the nominee of DTC, all payments with respect to the principal of and interest on such Series 2013 Bond will be made and given, respectively, to the nominee or DTC in the manner provided in the Blanket Letter of Representation entered into between DTC and the Authority.

In connection with any notice or communication to be provided to Bondholders pursuant to the Indenture by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority, or the Trustee, as the case may be, will establish a record date for such consent or other action and give the nominee or DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

NEITHER THE AUTHORITY, THE CORPORATION, THE BOARD, THE UNIVERSITY, NOR THE TRUSTEE HAS ANY RESPONSIBILITY OR OBLIGATIONS TO THE DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (B) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2013 BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDHOLDERS; (D) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2013 BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS REGISTERED BONDHOLDER.

Series 2013 Bonds Are Limited Obligations

THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM PAYMENTS RECEIVED BY THE AUTHORITY FROM THE

CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

THE GROUND LEASE

General

The Ground Lease will be entered into between the Board, on behalf of the University, as Lessor, and the Corporation, as Lessee, for lease of the Property and the Series 2007 Land. As a consideration for the Ground Lease, the Corporation will agree to perform its obligations under the Facilities Lease and all other documents contemplated by and ancillary to the Ground Lease and the Facilities Lease.

The Corporation's obligations under the Ground Lease may be suspended if by reason of *force majeure*, as described in the Ground Lease, the Corporation is unable to carry out such obligations.

Default and Remedies

Each of the following is an Event of Default under the Ground Lease:

(a) The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of the Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.

(b) The taking by execution of the Corporation's leasehold estate (other than a foreclosure of the Mortgage) for the benefit of any Person.

(c) The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of the Ground Lease and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(d) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Housing Facilities, the Series 2007 Facilities and the Stadium Expansion appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.

Upon the occurrence and during the continuance of an Event of Default, the Board will be permitted to seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Notwithstanding any provision of law of the Ground Lease to the contrary, except as set forth in the Ground Lease, the Board will not have the right to terminate the Ground Lease prior to its Expiration Date. However, in the event there is an Event of Default by the Corporation thereunder, the Board will have the right to terminate the Corporation's right to occupancy of the Property, the Housing Facilities, the Series 2007 Land and the Series 2007 Facilities, except that the Housing Facilities and the Series 2007 Facilities, at the option of the Board, shall remain thereon. The Board will have the right upon ninety (90) days' written notice of the opportunity to cure provided to the Series 2004 Bond Insurer and the Series 2007 Bond Insurer (collectively, the "**Bond Insurer**") and the Trustee, to take possession of the Property, the Housing Facilities and the Series 2007 Facilities and to re-let the Property, the Housing Facilities and the Series 2007 Facilities or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation will agree to release its leasehold interest and all of its rights under the Ground Lease and the Facilities Lease to the new lessee of the Property (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, if applicable) agreeing to assume all of the Corporation's obligations under the Ground Lease, the Facilities Lease, and under any debt incurred by or for the Corporation in connection with the construction of the Housing Facilities and the Series 2007 Facilities.

THE FACILITIES LEASE

General

Under the Facilities Lease, the Corporation will lease the Housing Facilities and the Series 2007 Facilities to the Board.

Rental

The Board will agree to pay Base Rental and Additional Rental as set forth in the Facilities Lease. The Base Rental amount payable from Series 2004 Lawfully Available Funds will be an amount equal to the principal of, premium, if any, and interest due on the Series 2013 Bonds, the Series 2004B Bonds and any Additional Bonds (as hereinafter defined), payable prior to the dates that such debt shall become due and payable. The Base Rental will also include any amounts required to be paid into any funds established in the Indenture, including the Series 2004 Debt Service Reserve Fund or to make up any deficiency or to restore any loss resulting from investment and any other payment required to be made to such fund by the Indenture.

In addition, the Board will agree to pay from Series 2004 Lawfully Available Funds as Additional Rental any and all expenses incurred by or on behalf of the Corporation on behalf of the Board and/or by the Board in the management, operation, ownership, and/or maintenance of the Housing Facilities, owed to the Authority or the Trustee.

The Board will also be obligated pursuant to the Facilities Lease to make payments of Base Rental and Additional Rental from Student Parking Fees and Auxiliary Revenues, to make payments related to the Series 2007 Bonds and the Series 2007 Facilities.

Extraordinary Rental Payments

Pursuant to the Facilities Lease, the Board will covenant to make an extraordinary rental payment to refund a portion of the Series 2004A Bonds from funds on hand or collected by the Board in an amount not to exceed \$9,000,000.

Rate Maintenance Covenant

The Board will covenant and agree to maintain a Debt Service Coverage Ratio for the Housing Facilities of not less than 1.10:1.00 and a Debt Service Coverage Ratio for the University of not less than 1.25:1.00. The Board will further covenant in the Facilities Lease that, as long as any bonds, notes, or lease obligations remain outstanding that are payable from Series 2004 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Housing Facilities falls below 1.10:1.00 or the Debt Service Coverage Ratio for the University falls below 1.25:1.00, the Board will use its best efforts to raise its fees, rentals, rates and charges relating to the Housing Facilities so that

within two (2) full semesters after either of the Debt Service Coverage Ratio for the Housing Facilities or the Debt Service Coverage Ratio for the University becomes deficient, the Debt Service Coverage Ratio for the Housing Facilities equals 1.10:1.00 and the Debt Service Coverage Ratio for the University equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Housing Facilities is still below 1.10:1.00 or the Debt Service Coverage Ratio for the University is still below 1.25:1.00, the Board will hire an outside consultant, approved by the Series 2004 Bond Insurer, and the Board will follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Housing Facilities, including raising fees and rents, reducing expenses and, if necessary, increasing the average occupancy rate through strict enforcement of parictal rules requiring students to reside on campus and, to the extent legally possible, revising parictal rules requiring students to increase the number of students required to reside on campus. So long as the Board is working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio for the Housing Facilities or any deficient Debt Service Coverage Ratio of the University, there will not be an Event of Default under the Facilities Lease unless (i) the Debt Service Coverage Ratio for the Housing Facilities is less than 1.00 to 1.00 at the end of the Fiscal Year, or (ii) the Debt Service Coverage Ratio of the University is less than 1.10 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees, rentals, rates and charges and calculating the Debt Service Coverage Ratio for the Housing Facilities and the Debt Service Coverage Ratio for the University, the Board will take into account payments required to be made into the Series 2004 Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund pursuant to the provisions of the Indenture. The Board will further covenant that it will seek any required approval necessary in order to comply with the covenant described under this subheading.

Additional Student Housing Facilities/Additional Debt

The University will not build, acquire or renovate any similar student housing facilities, whether such facilities are owned by the University or a private entity, unless (i) the Housing Facilities have met a Debt Service Coverage Ratio for the Housing Facilities of at least 1.25:1.00 for the prior Fiscal Year, (ii) the Housing Facilities are projected to meet a Debt Service Coverage Ratio of at least 1.25:1.00 for the Housing Facilities for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in student or multi-family housing, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Housing Facilities. Such additional student housing facilities owned or leased by the Board or the Corporation shall be incorporated with the Housing Facilities into a single housing system so that such additional student housing facilities and all revenues derived therefrom shall secure the Series 2013 Bonds, and the Housing Facilities and the revenues derived therefrom, including all Series 2004 Lawfully Available Funds derived from the Facilities Lease, will secure any debt incurred to finance such additional student housing facilities. In addition, the Mortgage (as defined in the Indenture) shall be amended to encumber any such additional student housing facilities and any revenues derived therefrom to secure the Series 2013 Bonds, the Series 2004B Bonds and any bonds hereinafter issued and payable from Series 2004 Lawfully Available Funds and any debt incurred to finance such additional housing facilities.

Undergraduate Residency Requirement

So long as any Series 2004 Bonds remain outstanding, the University will maintain its policy of requiring all unmarried, full-time undergraduate students with less than sixty (60) credit hours to live in on-campus residence halls. It is understood that the University currently permits certain exceptions to that policy and, except as set forth above, the University may continue to permit those exceptions but it shall make no voluntary revisions to such policy that would reduce the number of students required to live in on-campus residence halls (including, without limitation, reducing the number of credit hours to less than sixty (60), increasing the course-load required for status as a "full-time" student or modifying any existing exemptions from the policy), until the Series 2004 Bonds have been paid in full or the Series 2004 Bond Insurer consents in writing to a change in such policy.

Insurance

The University, at the direction of the Board, will secure and maintain or cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Housing Facilities and the Series 2007 Facilities (collectively, the “**Facilities**”) against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called “extended coverage” and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance will be required to be not less than the full replacement cost of the Facilities, without deduction for depreciation. In the event that the Facilities are not repaired or replaced, insurance proceeds will be no greater than the actual cash value (replacement cost less depreciation) of the Facilities at the time of the loss. The policy will be required to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers’ compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers’ compensation insurance to cover all persons employed by the Corporation in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(v) A policy of rental interruption insurance in the amount of at least one (1) year’s rental in the event of loss of or damage to the Facilities.

All insurance required in the Facilities Lease and all renewals of such insurance (excepting self insurance or commercial insurance through ORM) will be issued by commercial insurers authorized to transact business in the State, and rated at least A- by Best’s Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody’s. All insurance policies provided or caused to be provided by the Corporation will expressly provide that the policies will not be canceled or altered without thirty (30) days’ prior written notice to the University and the Trustee; and will, to the extent obtainable, be required to provide that no act or omission of the Corporation or other provider of insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University will be obligated to maintain according to the Facilities Lease (other than any policy of worker’s compensation insurance) will be required to name the Corporation, the Trustee, and such other Persons or firms as the Board specifies from time to time as additional insureds and will be required to expressly provide that the policies shall not be cancelled or altered without thirty (30) days’ prior written notice to the Corporation and the Trustee and will, to the extent obtainable, be required to provide that no act or omission of the University that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University will be required to be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured through ORM with respect to destruction of or damage to any portion of the Facilities by fire, earthquake, or other casualty or event will be required to be paid to the Trustee (or in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of the Facilities Lease and the Indenture.

Condemnation, Casualty, and Other Damage

The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively, “**Casualty**”) or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively, “**Expropriation**”) is expressly assumed by the Board. The Corporation and the Trustee will in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation under the Facilities Lease.

Application of Insurance Proceeds: Condemnation Award

If, during construction, all or any portion of the Facilities is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board will instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation will in no way be liable for any costs of the repair, restoration, or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Facilities by the Board on behalf of the Corporation, the Board will, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction, or taking of all or any portion of the Facilities will be required to be delivered to the Trustee and held by the Trustee in a special account to be established upon receipt of any such funds and held by the Trustee in trust (or in the case of self insurance through ORM, as set forth below), and will be made available for, and to the extent necessary be applied to, such restoration, repair, and replacement. Any amounts so held by the Trustee will be required to be disbursed to pay the costs of restoration, replacement, and repair of the Facilities with respect to which they shall be held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing, repairing, or restoring the Facilities and that no amount previously shall have been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee will be permitted to rely conclusively upon such written requests and will have no liability or responsibility to investigate any matter stated therein or for any inaccuracy or misstatement therein. In no event will the Trustee be responsible for the adequacy of the plans and specifications or the construction contract relating to the replacement, restoration, or repair of the Facilities or for the improper use of moneys properly disbursed pursuant to request made under the Facilities Lease. Any proceeds remaining on deposit with the Trustee following completion of the repairs, restoration, or replacement of the Facilities will be required to be paid by the Trustee in accordance with the terms of the Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore, or replace the Facilities, the proceeds shall be paid to the Trustee and used to redeem the Outstanding Bonds.

Notwithstanding the foregoing, the Corporation’s obligation to replace the Facilities in the event of Expropriation Proceedings will be dependent on the Board’s entering into a lease with a different portion of the campus of the University as provided in the Ground Lease. In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities, the Corporation and the Board will amend or enter into a new Facilities Lease and Ground Lease in accordance with the Ground Lease. In the event the Board, pursuant to the Ground Lease, decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) will be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Bonds in accordance with the terms of the Indenture, and the Facilities Lease and the Ground Lease will terminate.

In the event that ORM insures the Facilities, the Board will use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for

payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration, or replacement of the Facilities.

Default by the Board

If (i) the Board fails to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to the Facilities Lease by the close of business on the day such deposit is required pursuant to the Facilities Lease, and fails to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under the Facilities Lease (other than the payment of Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants, or conditions therein in connection with the Facilities, and shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or such longer period as the Trustee may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board will be deemed to be in default under the Facilities Lease, and the Corporation will have the right, at its option, without any further demand or notice to terminate the Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board in which case the Board's right to possession of the Facilities will cease, and the Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing for the period up to the time the Corporation regains possession (which have been approved for payment under the Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board that survive termination of the Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Facilities and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry will be allowed by the Board without hindrance, and the Corporation will not be liable in damages for any such re-entry or be guilty of trespass. The Corporation will agree that upon its termination of the Board's right to possession of the Facilities or termination of the Facilities Lease, the Corporation upon its re-entry of the Facilities will only be allowed to use the Facilities for the Permitted Use and will be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Facilities.

Notwithstanding any other provision of the Facilities Lease, (i) in no event will the Corporation have the right to accelerate the payment of any Base Rental payment under the Facilities Lease, and (ii) the Series 2004 Bond Insurer and/or the Series 2007 Bond Insurer will have ninety (90) days to cure an Event of Default thereunder.

Notwithstanding anything contained in the Facilities Lease to the contrary, a failure by the Board to pay when due any payment required to be made under the Facilities Lease or a failure by the Board to observe and perform any covenant, condition, or agreement on its part to be observed or performed under the Facilities Lease, resulting from a failure by the Board to appropriate moneys will not constitute an Event of Default thereunder, and the Corporation will not have any of the remedial rights set forth in the Facilities Lease. Notwithstanding the foregoing, in such event, the Facilities Lease will terminate and the Board will immediately vacate the Facilities and deliver the Facilities to the Corporation.

Cumulative Remedies

Each right and remedy provided for in the Facilities Lease is cumulative and will be in addition to every other right or remedy provided for in the Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in the Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of any or all other rights or remedies provided for in the Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of the Facilities Lease or to enforce any provision of the Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by

the Board of any breach by the Corporation of any term, covenant, or condition of the Facilities Lease will not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition thereof.

Non-Appropriation of Funds

In the event no funds or insufficient funds are lawfully appropriated in its budget process in any Fiscal Year enabling the payment of Base Rental and Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the month following the Base Rental payment date on which the last payment of Base Rental can be made in full from Lawfully Available Funds, the Facilities Lease will terminate without penalty or expense to the Board of any kind whatsoever, except as to the portions of Base Rental and Additional Rental payments therein agreed upon for Fiscal Years for which sufficient funds shall have been lawfully appropriated. In the event of such termination, the Board will peaceably surrender possession of the Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Facilities and re-let or sell the Facilities as the Corporation determines and as granted in the Facilities Lease. The Board will acknowledge that the Corporation's rights to take possession and to re-let or sell the Facilities under the Facilities Lease may be assigned to the Trustee for the benefit of the owners of the Bonds, and the Board will agree that the Trustee will be entitled to exercise all of the rights of the Corporation under the Facilities Lease. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under the Facilities Lease will not constitute a default thereunder, but will, *ipso facto*, terminate the Facilities Lease. This provision will be operative notwithstanding any provisions of the Facilities Lease to the contrary. The Board will be considered in default thereunder if sufficient funds are lawfully appropriated for the payment of Rental required under the Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation will be entitled to the rights and remedies set forth in the Facilities Lease.

SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS

The Series 2013 Bonds are payable solely from Series 2004 Lawfully Available Funds, which include all unrestricted funds available to the University and appropriated by the Board to make Rental Payments from any source, including Rents. The Series 2013 Bonds will be issued on a complete parity with the Series 2004B Bonds.

The State, through the Division of Administration, is not, at any time whatsoever, obligated, committed or required to provide funds by legislative appropriation or any other means to pay debt service on the Series 2013 Bonds or to support the continued operation and maintenance of the Facilities. The lease payments payable by the Board under the Facilities Lease are payable solely from Series 2004 Lawfully Available Funds as provided herein and the Board is not legally committed, obligated or required to make available any other funds to make the lease payments thereunder.

Housing Occupancy

| | Fall 2013 | | | Fall 2012 | | | Fall 2011 | | | Fall 2010 | | | Fall 2009 | | |
|-------------------------------|-------------|-----------------|--------------|-------------|-----------------|------------|-------------|-----------------|-------------|-------------|-----------------|-------------|-------------|-----------------|-------------|
| | # Beds* | Number Occupied | % Occupied | # Beds | Number Occupied | % Occupied | # Beds | Number Occupied | % Occupied | # Beds | Number Occupied | % Occupied | # Beds | Number Occupied | % Occupied |
| Residence Halls* | 1806 | 1777 | 98% | 1711 | 1703 | 99% | 1711 | 1727 | 101% | 1711 | 1781 | 104% | 1711 | 1747 | 102% |
| The Village Southeastern Oaks | 270 | 263 | 97% | 270 | 261 | 97% | 270 | 261 | 97% | 270 | 270 | 100% | 270 | 266 | 99% |
| | 312 | 297 | 95% | 312 | 304 | 97% | 312 | 311 | 100% | 312 | 309 | 99% | 312 | 304 | 97% |
| Total | 2388 | 2337 | 98%** | 2293 | 2268 | 99% | 2293 | 2299 | 100% | 2293 | 2360 | 103% | 2293 | 2317 | 101% |

* Added Cardinal Newman Hall, 95 beds.

**Presented as of the fourteenth (14th) day of classes. The University is currently working to place students on the waiting list into vacant beds.

Source: Southeastern Controller's office.

The University has experienced a waiting list for on-campus housing for the past six (6) fall semesters. In an effort to accommodate some of the demand, private rooms are being rented as shared spaces. As a result, occupancy has been at or near capacity for the sixth (6th) consecutive year.

Historical Debt Service Coverage

The Facilities Lease will require the Board to make Rental Payments to satisfy debt service requirements on the Series 2013 Bonds and the Series 2004B Bonds from Series 2004 Lawfully Available Funds, which include all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, however, as a practical matter the Rents from the Housing Facilities will be the primary source for Rental payments. In addition, the rate maintenance covenant contained in the Facilities Lease requires the Board to meet certain coverage requirements for both the Housing Facilities and the University. See “**THE FACILITIES LEASE – Rate Maintenance Covenant**” herein. The following presentation shows the University’s Debt Service Coverage Ratio for the Housing Facilities for fiscal years 2009-2013.

[Remainder of this page intentionally left blank]

| | <u>Fiscal Year 6/30/13</u> | <u>Fiscal Year 6/30/12</u> | <u>Fiscal Year 6/30/11</u> | <u>Fiscal Year 6/30/10</u> | <u>Fiscal Year 6/30/09</u> |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <u>University Auxiliary Services Revenues</u> | | | | | |
| Auxiliary Services Revenue | \$8,081,352 | \$7,083,825 | \$7,442,754 | \$7,691,242 | \$7,406,894 |
| Auxiliary Expenditures | <u>(6,269,603)</u> | <u>(6,170,500)</u> | <u>(5,917,353)</u> | <u>(5,655,606)</u> | <u>(5,928,431)</u> |
| Pledged Funds Available from Auxiliary Revenues* | 1,811,749 | 913,325 | 1,525,401 | 2,035,636 | 1,478,463 |
| University Housing/University Facilities, Inc. | | | | | |
| Housing/UFI Revenues | 11,740,992 | 11,737,986 | 11,776,465 | 11,209,990 | 10,736,912 |
| Housing/UFI Expenditures | <u>(5,263,624)</u> | <u>(5,120,421)</u> | <u>(5,009,276)</u> | <u>(4,649,410)</u> | <u>(4,647,278)</u> |
| Pledged Funds Available from Housing/ UFI Revenues | 6,477,368 | 6,617,565 | 6,767,189 | 6,556,580 | 6,089,634 |
| Total Pledged Funds Available | 8,289,117 | 7,530,890 | 8,292,590 | 8,596,216 | 7,568,097 |
| Annual Debt Service | 4,341,825 | 4,245,015 | 4,153,532 | 4,306,996 | 4,229,132 |
| Debt Service Coverage (Housing Revenues Only) | 1.49 | 1.56 | 1.63 | 1.52 | 1.44 |
| Debt Service Coverage (Available Auxiliary/Housing) | 1.91 | 1.77 | 2.00 | 2.00 | 1.79 |

*Auxiliary Revenues are also pledged as a part of the security for the Series 2007 Bonds; however, the University has not been reliant upon Auxiliary Revenues to make the required payments on the Series 2007 Bonds. See "APPENDIX A – DEBT MANAGEMENT" for a historical calculation of debt service coverage for the Series 2007 Bonds based solely on Student Parking Fees.

Source: Southeastern Controller's office.

Trust Estate

The Series 2013 Bonds are special limited obligations of the Authority payable from the Trust Estate held for the benefit of the Bondholders pursuant to the Indenture. The Series 2013 Bonds are not payable from any other revenues, funds, or assets of the Authority. The Trust Estate will include: (i) all right, title, and interest of the Authority in, to and under the Loan Agreement, the Ground Lease and the Facilities Lease, and (ii) moneys held in funds and accounts (other than the Rebate Fund) established pursuant to the Indenture. The obligation of the Board to make rental payments under the Facilities Lease is subject to, and dependent upon, the University's budgeting and appropriating funds necessary to make payments required under the Facilities Lease. Any discussion in this Official Statement concerning the Trust Estate or any other source of payment for the Series 2013 Bonds should be construed with respect to any particular Series 2013 Bond to be limited to the extent described in this paragraph. The Trustee has no authority to extend the time for any Payment of principal, premium, or interest without the prior written consent of or authorization of the owners of the Series 2013 Bonds so affected.

Mortgage

In connection with the issuance of the Series 2004 Bonds, the Corporation executed an Act of Mortgage, Assignment of Leases and Security Agreement dated August 13, 2004 in favor of the Trustee (the "Mortgage"). The Mortgage covers the leasehold interest in the Property and secures payments of the Series 2004 Bonds and any Additional Bonds, including the Series 2013 Bonds. The Corporation has additionally granted to the Trustee a first priority security interest in the leases and subleases affecting the Property and/or the Housing Facilities, including, without limitation, the Facilities Lease (collectively, the "Leases") and all revenues, rentals, and other sums due or becoming due under the Leases. Nevertheless, certain interests and claims of others may be on a parity with or prior to the grant of such security interest and certain statutes and other provisions may limit the Corporation's and the

Authority's rights to make such pledges, assignments, and/or grants of security interests. Examples of such claims, interests, and provisions are:

- (1) statutory liens;
- (2) the Louisiana Uniform Commercial Code may not recognize a security interest in future revenues derived from the Facilities;
- (3) constructive trusts, equitable liens, or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction;
- (4) federal bankruptcy laws as they affect amounts earned with respect to the Facilities after any effectual institution of bankruptcy proceedings by or against the Corporation or the Authority;
- (5) 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;
- (6) items not in possession of the Trustee, the records to which are located or moved outside the State of Louisiana, which are thereby not subject to or are removed from the operation of Louisiana law; and
- (7) the requirement that appropriate continuation statements be filed in accordance with the Louisiana Uniform Commercial Code as from time to time in effect.

Limitation of Authority's Obligations

THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

Funds and Accounts

The Indenture will create the following funds and accounts which will be held by the Trustee: (i) Series 2013 Bond Proceeds Fund, with a Series 2013 Costs of Issuance Account therein; (ii) Series 2013 Debt Service Fund, and the following accounts therein: (1) Interest Account and (2) Principal Account; (iii) Series 2013 Debt Service Reserve Fund; and (iv) Series 2013 Rebate Fund. In addition, the following funds previously established pursuant to the Original Indenture will be maintained and held for the common benefit of the Series 2013 Bonds and the Series 2004B Bonds: (i) Replacement Fund; (ii) Receipts Fund; and (iii) Surplus Fund.

Series 2013 Bond Proceeds Fund. On or prior to the Closing Date, the Series 2013 Bond Proceeds Fund will be used to receive the proceeds of the Series 2013 Bonds, transfers from certain Series 2004 Bond funds held by the Trustee and the Board Contribution. Any fund received prior to the Closing Date may be held uninvested. On the Closing Date, the Trustee will disburse amounts held in the Series 2013 Bond Proceeds Fund as follows:

- (a) to retain such sum in the Series 2013 Costs of Issuance Account as may be specified in the request and authorization delivered pursuant to the Indenture; and
- (b) to transfer to the Series 2013 Debt Service Reserve Fund an amount equal to the Series 2013 Debt Service Reserve Fund Requirement;

(c) to transfer to the Escrow Trustee for deposit to the Escrow Fund the balance of the proceeds of the Series 2013 Bonds and the Board Contribution.

Amounts deposited on the Closing Date into the Series 2013 Costs of Issuance Account of the Series 2013 Bond Proceeds Fund will be disbursed, pursuant to the written instructions of the Authority, to pay Costs of Issuance. The Trustee will be authorized and directed to pay such Costs of Issuance in accordance with payment instructions set forth in the respective invoices submitted to the Trustee for payment pursuant to such written instructions of the Authority. Any amounts remaining in the Series 2013 Costs of Issuance Account 180 days after delivery of the Series 2013 Bonds (and not specifically committed to pay additional Costs of Issuance) will be deposited into the Interest Account of the Series 2013 Debt Service Fund.

Series 2013 Debt Service Fund. The Trustee will deposit into the applicable account of the Series 2013 Debt Service Fund the amounts required by the Indenture.

Moneys on deposit in the Interest Account of the Series 2013 Debt Service Fund will be used solely to pay the interest on the Series 2013 Bonds as it becomes due and payable, whether on an Interest Payment Date, at maturity or upon acceleration.

Moneys on deposit in the Principal Account of the Series 2013 Debt Service Fund will be used solely to pay the principal of the Series 2013 Bonds as it becomes due and payable, whether at maturity, prior redemption or upon scheduled sinking fund redemption; and, if funds are available for such purpose and at the written direction of the Authority, to effect the redemption of the Series 2013 Bonds prior to their maturity in accordance with the redemption provisions thereof or the purchase of Series 2013 Bonds prior to their maturity in the open market at a price not in excess of the then applicable redemption price (the principal amount thereof, premium, if any, plus accrued interest).

Whenever and to the extent that money on deposit in the Interest Account or the Principal Account is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, the Trustee will transfer money from the Surplus Fund, the Replacement Fund and the Debt Service Reserve Fund, in that order.

Replacement Fund. The Replacement Fund was established pursuant to the Original Indenture and will be maintained with the Trustee and used to fund the cost of replacing any worn out, obsolete, inadequate, unsuitable, or undesirable property, furniture, fixtures, or equipment placed upon or used in connection with the Housing Facilities. The Replacement Fund will be funded annually in the amount of \$122,987.38 as set forth below. The current balance in the Replacement Fund is \$11,016,882. Moneys in the Replacement Fund may also be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts, together with money available therefor in the Surplus Fund, is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Series 2013 Rebate Fund. Moneys deposited and held in the Series 2013 Rebate Fund will be used to make all rebate payments owed to the United States under the Code, and will not be subject to the pledge of the Indenture. The Corporation will be required to make the calculation(s) required by the Code and the Tax Regulatory Agreement and to direct the Trustee to make deposits to and make disbursements from the Series 2013 Rebate Fund that the Corporation determines are in accordance therewith. The Tax Regulatory Agreement and any provisions of the Indenture governing deposits to the Series 2013 Rebate Fund may be superseded or amended by the Corporation (except the requirement of annual calculations and deposits to the Series 2013 Rebate Fund, if required) if accompanied by an opinion of Bond Counsel addressed to the Corporation and the Trustee to the effect that the use of the new Tax Regulatory Agreement will not cause the interest on the Series 2013 Bonds to become includable in gross income of the recipient thereof for federal tax purposes.

Receipts Fund. There will continue to be deposited into the Receipts Fund, all funds received by or paid on behalf of the Board under the Facilities Lease, including (i) daily, all rents, charges and other amounts, held in the deposit account maintained by any Management Company pursuant to any Management Agreement; and (ii) all Lawfully Available Funds from the Board used to make Base Rental Payments pursuant to the Facilities Lease. The

Trustee will transfer the amount so deposited in the Receipts Fund to the Series 2004 Debt Service Fund and the Series 2013 Debt Service Fund without distinction or priority. Moneys on deposit in the Receipts Fund will be withdrawn by the Trustee in accordance with the requirements of the Indenture and ratably on a parity therewith and applied in the following priority:

(a) At such time as may be required by the Tax Regulatory Agreement but not less often than annually, to the Rebate Fund and the Series 2013 Rebate Fund the amount required to be deposited thereunder;

(b) On the twenty-fifth (25th) day of each month, beginning on the twenty-fifth (25th) day of the month following the effective date of any Management Agreement, to the Operating Fund (as defined in the Management Agreement) maintained by the Management Company, an amount necessary to make the amount in the Operating Fund equal to the Operating Expenses for the next month as shown on the Operating Budget (as defined in the Management Agreement) for such month, as certified by the Management Company;

(c) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on February 1, 2014 and thereafter, on the twenty-fifth (25th) day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds the next February 1 and August 1 or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds and Series 2013 Bonds on such Interest Payment Date;

(d) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at an Auction Rate on such Interest Payment Date;

(e) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at a Variable Rate on such Interest Payment Date;

(f) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Principal Account of the Series 2004 Debt Service Fund and the Principal Account of the Series 2013 Debt Service Fund an amount equal to one-ninth (1/9th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the twenty-fifth (25th) day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on the next Principal Payment Date;

(g) On the twenty-fifth (25th) day of the month, any amounts due to the Series 2004 Bond Insurer under the Reimbursement Agreement;

(h) On the twenty-fifth (25th) day of each month following any drawing on the Debt Service Reserve Fund in accordance with the Original Indenture or any drawing on the Series 2013 Debt Service Reserve Fund, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement for the Series 2004B Bonds and the Series 2013 Debt Service Reserve Fund to equal the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds within twelve (12) months or (ii) the excess of the Debt Service Reserve Fund Requirement for the Series 2004 Bonds or the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds over the amount on deposit in the Debt Service Reserve Fund or the Series 2013 Debt Service Reserve Fund;

(i) Annually, beginning August 1, 2014, an amount equal to \$122,987.38 into the Replacement Fund, with such amount increased each year, beginning August 1, 2015 at a rate of 3% annually; or such lesser annual amount as is permitted by the Board of Regents and approved by the Series 2004 Bond Insurer in each case, as set forth in writing delivered in advance thereof to the Trustee; and, in the event that any funds shall have been withdrawn from the Replacement Fund to cure any deficiency in the Interest Account or the Principal Account of the Series 2004 Debt Service Fund or the Interest Account or the Principal Account of the Series 2013 Debt Service Fund pursuant to the Indenture, the amount of such withdrawal;

(j) On the twenty-fifth (25th) day of each month, commencing the month following the effective date of any Management Agreement, an amount equal to the monthly Management Fee for the current Fiscal Year plus any Management Fee for any prior month that remains unpaid; and

(k) Annually on August 1 of each year beginning August 1, 2014 any amounts remaining in the Receipts Fund after making all transfers required to be made on such date pursuant to (a) through (k) above shall be transferred to the Surplus Fund and applied as set forth in the Indenture.

After a Variable Rate Conversion of the Series 2004B Bonds, payments will be made from the Receipts Fund to the Series 2004 Debt Service Fund in accordance with the supplemental indenture executed in connection with such Variable Rate Conversion.

Series 2013 Debt Service Reserve Fund. Moneys on deposit in the Series 2013 Debt Service Reserve Fund will be maintained in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement, and will be transferred in accordance with the priority set forth in the Indenture, to the Interest Account or the Principal Account of the Series 2013 Debt Service Fund in such amount as necessary to remedy any deficiencies therein (taking into account any amounts available therefor in the Surplus Fund and the Replacement Fund). Whenever the amount in the Series 2013 Debt Service Reserve Fund, together with the amount in the Series 2013 Debt Service Fund, is sufficient to pay in full all outstanding Series 2013 Bonds in accordance with their terms, the funds on deposit in the Series 2013 Debt Service Reserve Fund will be transferred to the Series 2013 Debt Service Fund and will be available to pay all outstanding Series 2013 Bonds in accordance with their terms. If the balance of the Series 2013 Debt Service Reserve Fund is greater than the Series 2013 Debt Service Reserve Fund Requirement, all amounts in the Series 2013 Debt Service Reserve Fund in excess of the Series 2013 Debt Service Reserve Fund Requirement will be transferred to the Interest Account of the Series 2013 Debt Service Fund. In no event shall moneys in the Series 2013 Debt Service Reserve Fund be used to make payments of principal and/or interest on the Series 2004B Bonds.

Surplus Fund. The Surplus Fund will continue to be maintained with the Trustee. Upon satisfaction of certain performance covenants contained in the Indenture, funds on deposit in the Surplus Fund at the end of any Fiscal Year will be transferred to the University. Until such transfer, moneys in the Surplus Fund will be available to be transferred to the Interest Account and/or the Principal Account of the Debt Service Fund or Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

BONDHOLDERS' RISKS

Introduction

AN INVESTMENT IN THE BONDS INVOLVES A DEGREE OF RISK BECAUSE OF THE VARIOUS RISKS DESCRIBED IN THIS OFFICIAL STATEMENT. No person should purchase any of the Series 2013 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. Furthermore, the tax-exempt feature of the Series 2013 Bonds is relatively more valuable to high tax bracket investors than to investors who are in the lower tax brackets, and so the value of the interest compensation to any particular investor will vary with his or her marginal tax rate. Each prospective investor should, therefore, determine his or her present and anticipated marginal tax rate before investing in the Bonds. 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 2013 Bonds are an appropriate investment.

Identified and summarized below are a number of “Bondholders’ Risks” that could adversely affect the operation of the Facilities and/or the payment of the Series 2013 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.

Series 2004 Lawfully Available Funds

If the Board is unable to generate sufficient revenues from Series 2004 Lawfully Available Funds to make the Rental payments required by the Facilities Lease, an Event of Default may occur under the Indenture. Upon an Event of Default, the Series 2013 Bonds may not be paid or may be paid before maturity or applicable redemption dates and a forfeiture of redemption premiums may result. The Board’s ability to generate Rents and its overall financial condition may be adversely affected by a wide variety of future events and conditions including (i) a decline in the enrollment of the University, (ii) increased competition from other schools, (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, (v) cost overruns in connection with capital improvements, and (vi) occupancy rates of the Housing Facilities. See “**THE HOUSING FACILITIES**” herein for a discussion of construction issues that could affect occupancy of the Housing Facilities.

Special Nature of the Housing Facilities

The Housing Facilities have been constructed to serve as student housing facilities and are located on the campus of the University. If it were necessary to sell the Corporation’s interest in the Ground Lease pursuant to the Mortgage upon an Event of Default, the special use nature of the Housing Facilities and the fact that the interest to be sold is in the nature of a leasehold interest and subject to the terms of the Ground Lease may curtail the purchase price that could be obtained, and the net proceeds received may be less than the principal amount of the Series 2013 Bonds and the Series 2004B Bonds Outstanding. **For all practical purposes, payment of the Series 2013 Bonds is dependent upon the continued occupancy and operation of the Housing Facilities.**

Selective Admissions Standards

Prior to the Fall 2000 semester, the University maintained an open admissions standard, whereby persons with high school diplomas or their equivalent could enroll as a new student at the University regardless of grade point average or college entrance exam scores. Beginning the Fall 2000 semester, the University implemented selective admissions standards, whereby students may, with certain exceptions, enroll at the University only if they achieve certain standards to include grade point averages and college entrance exams. Following implementation of the selective admissions standards, enrollment at the University dropped slightly and, although enrollment is currently reaching levels maintained prior to the implementation of the selective admissions standards, no assurance can be given that current enrollment levels will be maintained. However, admissions standards were raised again in 2004 and 2005 and additional admissions standards were implemented in 2010 and 2012 with little to no impact on overall enrollment. Enrollment remains stable, consistently reaching or exceeding 15,000 students since 2008. Additional changes in admissions criteria are expected in 2014 for which the University is positioning itself well to implement these standards with minimal impact on the University.

Operating Budget Environment

In the 2012-2013 fiscal year, the University faced another reduction in state appropriations in the amount of approximately \$6.2 million. In addition, approximately \$6.3 million provided as carried forward funds into the 2011-2012 fiscal year were not reauthorized. To assist the University in recouping a portion of the lost revenues from the state, another 10% tuition increase, made available through the LA GRAD Act and Act 915 of the 2008 Regular Session of the Louisiana Legislature, provided an increase in support of approximately \$5.2 million. This resulted in a net reduction in available resources in the university operating fund of approximately \$7.3 million. In addition, the Board of Supervisors modified its policy allowing universities to charge a utility surcharge fee. This modification generated approximately \$1.5 million that could be used to pay for utilities previously charged to the university’s operating fund. The largest portion of the above reduction was accommodated through the reduction of administrative costs and a reduction in physical plant operations.

In the 2013-2014 fiscal year, state appropriations continued to decrease. There was a reduction of state support of approximately \$7.7 million. However, the majority of this was offset by an increase of approximately \$6.1

million in student tuition as allowed by the LA GRAD Act and Act 915 of the 2008 Regular Session as well as a one-time allocation from the State of \$1.1 million. As a result, the net decrease in total operating support in the 2013-2014 fiscal year was only \$.5 million. The majority of this reduction was made up by a change in policy as it relates to scholarship distributions. The balance of the reductions were spread somewhat evenly to the functional categories of public service, academic support, student services, institutional support and plant operation/maintenance. Even though the university had a reduction in resources available to the operating fund, the instructional category which serves the core function of the University, increased by almost \$1.6 million or approximately 3%.

Housing on the University campus remains in high demand. The University has experienced a waiting list for on-campus housing for the past six (6) fall semesters. In an effort to accommodate some of the demand, private rooms are being rented as shared spaces. As a result, occupancy has been at or near capacity for the sixth (6th) consecutive year.

Even with the major budget reductions and increases in tuition, the University remains vibrant. Tuition rates, even given the increases, remain low when compared to other peer institutions; population growth in key markets remains high; and the University's position as a college of "choice" for higher quality students continues to increase.

Appropriation of Rental by the Board

The Facilities are being leased by the Corporation to the Board on behalf of the University pursuant to the Facilities Lease. The obligation of the Board on behalf of the University to pay rental to the Corporation under the Facilities Lease is subject to, and dependent upon, appropriation by the Board in its budget process of funds necessary to make payments of rental required under the Facilities Lease. Although each of the Board and University acknowledges its obligation to budget annually an amount sufficient to make payments of rental under the Facilities Lease, notwithstanding this obligation such amounts may or may not ultimately be appropriated by the Board for such purpose. Further, both the Corporation and the Board acknowledge the Board's obligation on behalf of the University to pay rental shall not be construed as a debt of the Board, nor a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

Litigation

While there may be lawsuits pending involving either the University or the Board, it is not possible to confer with every attorney handling such matters. Furthermore, it would be impossible to predict the outcome of all such cases. However, to the extent that there are adverse judgments in excess of the Board's insurance policy limits, such judgment may be satisfied only through appropriation by the Louisiana Legislature because Board assets are not available to satisfy such judgments.

Risk Factors Inherent in Higher Education

There are a number of factors affecting institutions of higher education in general, including the University, that could have an adverse effect on the Board's financial position and its ability to make the payments of Rental required by the Facilities Lease. These factors include the rising costs of providing higher education services; the expected decline in the number of college-age persons in the country generally; the failure to maintain or increase in the future the funds obtained by the Board from other sources, including gifts and contributions from donors, grants or appropriations from governmental bodies and income from investment of endowment funds; adverse results from the investment of endowment funds; increasing costs of compliance with federal or State regulatory laws or regulations, including, without limitation, laws or regulations concerning environmental quality, work safety and accommodating the handicapped; and legislation or regulation which may affect student aid and other program funding. The Board cannot assess or predict the ultimate effect of these factors on its operation or financial results of operations.

Effect of Determination of Taxability

The Corporation and the Board will covenant not to take any action that would cause the Series 2013 Bonds to be arbitrage bonds or that would otherwise adversely affect the federal income tax status of interest in the Series 2013 Bonds. The Corporation and the Board will also make representations with respect to certain matters within their knowledge that have been relied on by Bond Counsel and that Bond Counsel has not independently verified. Failure to

comply with such covenants could cause interest on the Series 2013 Bonds to become subject to federal income taxation retroactively from their date of issuance.

It is possible that a period of time may elapse between the occurrence of the event that causes interest to become taxable and the determination that such an event has occurred. In such a case, interest previously paid on the Series 2013 Bonds could become retroactively taxable from the date of their issuance. Additionally, certain owners of the Series 2013 Bonds are subject to possible adverse tax consequences. See “**TAX EXEMPTION**” herein.

Consequences of Changes in the Corporation’s or the University’s Tax Status

The Corporation has obtained a determination letter from the Internal Revenue Service stating that it will be treated as an exempt organization as described in §501(c)(3) of the Code and can reasonably be expected to not be classified as a “private foundation.” In order to maintain its exempt status and to not be considered a private foundation, the Corporation will be subject to a number of requirements affecting its operation. The possible modification or repeal of certain existing federal income tax laws, the change of Internal Revenue Service policies or positions, the change of the Corporation’s method of operations, purposes or character or other factors could result in loss by the foundation of its tax-exempt status.

The Corporation will covenant to cause to remain eligible for such tax-exempt status and to avoid operating the Facilities as an unrelated trade or business (as determined by applying §512(a) of the Code). Failure of the Facilities to remain so qualified or of the Corporation so to operate the Facilities could affect the funds available to the Corporation for payments under the Loan Agreement by subjecting the Corporation to federal income taxation and could result in the loss of the excludability of interest on the Series 2013 Bonds from gross income for purposes of federal income taxation. Potential investors should note that in such event, the provisions of the Indenture relating to a Determination of Taxability may be applicable. Continuation of the tax-exempt status of the Series 2013 Bonds may also be dependent upon the continuing tax-exempt status of the University. See “**BONDHOLDERS’ RISKS – Effect of Determination of Taxability**” above.

Taxation of Bonds

An opinion of Bond Counsel will be obtained as described under “**TAX EXEMPTION**” herein. Such an opinion is not binding on the Internal Revenue Service. Application for a ruling from the Internal Revenue Service regarding the status of the interest on the Bonds has not been made. The opinion of Bond Counsel contains certain exceptions and is based on certain assumptions described herein under the heading “**TAX EXEMPTION.**” Failure by the Board or the Corporation to comply with certain provisions of the Code and covenants contained in the Bond Resolution and the Tax Certificate could result in interest on the Series 2013 Bonds becoming includable in gross income for federal tax purposes.

An opinion of Bond Counsel will be obtained regarding the exemption of interest on the Series 2013 Bonds from certain taxation by the State of Louisiana, as described under “**TAX EXEMPTION**” herein. Bond Counsel has not opined as to whether interest on the Series 2013 Bonds is subject to state or local income taxation in jurisdictions other than Louisiana. Interest on the Series 2013 Bonds may or may not be subject to state or local income taxation in jurisdictions other than Louisiana under applicable state or local laws. Each purchaser of the Series 2013 Bonds should consult his or her own tax advisor regarding the taxable status of the Bonds in a particular state or local jurisdiction.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the market value of the Series 2013 Bonds. Examples of such proposals include, but are not limited to, the American Jobs Act and the Debt Reduction Act as proposed by President Obama’s administration and introduced in the current Congress. It cannot be predicted whether or in what form any such proposals might be enacted or whether if enacted such proposals would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2013 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2013 Bonds or the

market value thereof would be impacted thereby. Prospective purchasers of the Series 2013 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation.

Market for the Bonds

There can be no assurance that a secondary market exists, or that the Series 2013 Bonds can be sold for any particular price. Accordingly, a purchaser of the Series 2013 Bonds should recognize that an investment in the Series 2013 Bonds will in all likelihood not be liquid and be prepared to have his or her funds committed until the Series 2013 Bonds mature or are redeemed.

LITIGATION

The Authority

There is no litigation now pending or threatened against the Authority, of which the Authority has knowledge, that restrains or enjoins the issuance or delivery of the Series 2013 Bonds or questions or affects the validity of the Series 2013 Bonds or the proceedings and authority under which they are to be issued. To the Authority's knowledge, neither the creation, organization, or existence of the Authority, nor the title of the present members or other officers of the Authority to their respective offices, is being contested or questioned. There is no litigation now pending or threatened against the Authority, of which the Authority has knowledge, that in any manner questions the right of the Authority to enter into the Indenture or the Loan Agreement to secure the Series 2013 Bonds in the manner provided in the Indenture.

The Corporation

There is no litigation now pending or threatened against the Corporation, of which the Corporation has knowledge, that in any manner questions the right of the Corporation to enter into or perform its obligations under the Loan Agreement, the Leases or the Assignment or that individually or in the aggregate would adversely affect the operations of the Corporation, financial or otherwise.

CONFLICTS OF INTEREST; RELATIONSHIPS

Stephen M. Smith is a member of the Board of Directors of the Corporation and also previously served as Vice President for Administration and Finance of the University and currently serves as Interim Budget Director for the University. Joseph Morris serves as the Executive Director and Secretary/Treasurer of the Corporation and is also an Associate Professor at the University.

TAX EXEMPTION

In the opinion of Jones Walker LLP, Bond Counsel, under existing law and assuming continuing compliance with covenants of the Authority and the Corporation designed to meet the applicable requirements of the Code, interest on the Series 2013 Bonds is excluded from gross income for federal income purposes except as provided below.

Interest on the Series 2013 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations under the Code; however, for the purpose of computing the federal alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings.

General

The Code imposes a number of requirements that must be satisfied in order for interest on state or local obligations, such as the Series 2013 Bonds to be excluded from gross income for federal income tax purposes. The Authority has covenanted in the Indenture and the Corporation has covenanted in the Loan Agreement that they will comply with these requirements in order to maintain the exclusion from gross income of interest on the Series 2013 Bonds for purposes of federal income taxation. Bond Counsel's opinion will assume continuing compliance with those covenants set forth in the Indenture and the Loan Agreement pertaining to those sections of the Code that

affect the exclusion from gross income of interest on Series 2013 Bonds for federal income tax purposes and, in addition, will rely on representations by the Authority and the Corporation with respect to matters solely within their knowledge which Bond Counsel has not independently verified. If the Authority and the Corporation should fail to comply with the covenants in the Indenture or the Loan Agreement, as the case may be, or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Series 2013 Bonds could become included in gross income for federal income tax purposes from the date of delivery of the Series 2013 Bonds regardless of the date on which the event causing such includability occurs.

Although Bond Counsel has rendered an opinion that interest on the Series 2013 Bonds is excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the Series 2013 Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Owners of the Series 2013 Bonds should be aware that the ownership of tax-exempt obligations, such as the Series 2013 Bonds may result in collateral federal income tax consequences to certain taxpayers. Furthermore, future law and/or regulations enacted by federal, state or local authorities may affect certain owners of the Series 2013 Bonds.

Except as stated above, Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt of interest on or disposition of the Series 2013 Bonds.

PROSPECTIVE PURCHASERS OF THE SERIES 2013 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2013 BONDS AS TO THE IMPACT OF THE FEDERAL, STATE AND LOCAL CONSEQUENCES OF ACQUIRING, HOLDING OR DISPOSING OF THE SERIES 2013 BONDS.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress or in the various states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the market value of the Series 2013 Bonds. It cannot be predicted with certainty whether or in what form any proposed legislation might be enacted or whether if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2013 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2013 Bonds or the market value thereof, would be impacted thereby. Purchasers of the Series 2013 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation.

It is not an event of default on the Series 2013 Bonds if legislation is enacted reducing or eliminating the exclusion of interest on state and local government bonds from gross income for federal or state income tax purposes.

Tax Treatment of Premium

Certain maturities of the Series 2013 Bonds may be offered and sold to the public at a premium (the "Premium Bonds"). The premium is the excess of the issue price over the stated redemption price at maturity and must be amortized on an actuarial basis by the owner of the Premium Bonds from the date of acquisition of the Premium Bonds through the maturity date thereof. The premium is not deductible for federal income tax purposes, and owners of the Premium Bonds are required to reduce their basis in the Premium Bonds by the amount of premium that accrued while they owned such Premium Bonds. Owners of the Premium Bonds (including owners that purchase a Premium Bond other than pursuant to the initial public offering) should consult their own tax advisors as to the determination for federal income tax purposes of the amount of premium amortized each year with respect to the Premium Bonds, the adjusted basis of the Premium Bonds for purposes of determining the taxable gain or loss upon the sale or other disposition of the Premium Bonds (prior to maturity and at maturity), and all other federal tax consequences and any state and local tax aspects of owning the Premium Bonds.

Tax Treatment of Original Issue Discount

Certain maturities of the Series 2013 Bonds may be sold at an original issue discount (the “OID Bonds”). The difference between the initial public offering price, as set forth on the inside cover page hereof, of the OID Bonds and their stated principal amount payable at maturity constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes and which is exempt from all taxation in the State of Louisiana subject to the caveats and provisions described above under “**TAX EXEMPTION – General.**”

In the case of an owner of an OID Bond, the amount of original issue discount which is treated as having accrued with respect to such OID Bond, is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such OID Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of such an OID Bond which are attributable to accrued original issue discount will be treated as tax exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual OID Bond, on days which are determined by reference to the maturity date of such OID Bond. The amount treated as original issue discount on such OID Bond for a particular semiannual period is equal to (i) the product of (a) the yield to maturity for such OID Bond and (b) the amount which would have been the tax basis of such OID Bond at the beginning of the particular semiannual period if held by the original purchaser, (ii) less the amount of any payments on such OID Bond during the semiannual period. The tax basis is determined by adding to the initial public offering price on such OID Bond the sum of the amounts which would have been treated as original issue discount for such purposes during all prior periods. If such an OID Bond is sold between compounding dates, original issue discount which would have accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of OID Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of original issue discount accrued with respect to such OID Bonds as of any date, with respect to the accrual of original issue discount for such OID Bonds purchased on the secondary markets and with respect to the state and local tax consequences of owning such OID Bonds.

Non-Qualified Tax-Exempt Obligations for Financial Institutions

The Authority cannot designate the Series 2013 Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Code. Therefore, interest paid or incurred by a taxpayer, including a “financial institution”, on indebtedness incurred or continued to purchase or carry the Series 2013 Bonds is not deductible by such taxpayer in determining taxable income.

Louisiana Taxes

In the opinion of Bond Counsel, pursuant to the Refunding Act, the Series 2013 Bonds, and the income therefrom, are exempt from all taxation by the State of Louisiana or any political subdivision thereof.

UNDERWRITING

The Authority is offering the Series 2013 Bonds through a syndicate headed by Stephens Inc. (the “**Underwriter**”), pursuant to a Bond Purchase Agreement. The obligation of the Underwriter to sell the Series 2013 Bonds will be subject to various conditions contained in the Bond Purchase Agreement.

The Underwriter is purchasing the Series 2013 Bonds and intends to offer the Series 2013 Bonds to the original purchasers thereof at the offering prices set forth on the cover page of this Official Statement, which offering prices may subsequently be changed without any requirement of prior notice. The purchase price of the Series 2013 Bonds is \$43,927,540.85 which is equal to the par amount of the Series 2013 Bonds plus a net reoffering premium of \$3,314,138.35 and less an Underwriter’s discount of \$296,597.50. The Bond Purchase Agreement executed by the Underwriter, on behalf of itself and Raymond James & Associates, Inc. provides that the Underwriter will purchase all of the Series 2013 Bonds if any are not purchased. The Underwriter has reserved the right to permit other securities dealers who are members of the National Association of Securities Dealers, Inc. to assist in selling the Series 2013 Bonds. The Underwriter may offer and sell Series 2013 Bonds to certain dealers at

prices lower than the public offering price or otherwise allow concessions to such dealers who may re-allow concessions to other dealers. Any discounts and/or commissions that may be received by such dealers in connection with the sale of the Series 2013 Bonds will be deducted from the Underwriter's discount.

RATING OF THE SERIES 2013 BONDS

Moody's Investors Service, Inc. ("**Moody's**") has assigned the Series 2013 Bonds the long-term rating of "A3 (stable outlook)." An explanation of the significance of such rating may be obtained from Moody's. Such rating reflects only the view of Moody's, and neither the Authority, the University nor the Underwriter makes any representation as to the appropriateness thereof.

There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely, if in the judgment of Moody's, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2013 Bonds.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the Series 2013 Bonds will be subject to the approving opinion of Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, the form of which is included as **APPENDIX C** hereto. Certain legal matters will be passed on for the Authority by its counsel, Breithaupt, Dunn, DuBos, Shafto & Wolleson, LLC, Monroe, Louisiana, for the Corporation by its counsel, Seale & Ross, a Professional Law Corporation, Hammond, Louisiana, for the Board by its counsel, DeCuir, Clark & Adams, L.L.P., Baton Rouge, Louisiana and for the Underwriter by its counsel, Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Baton Rouge, Louisiana.

Bond Counsel has been employed primarily for the purpose of preparing certain legal documents and supporting certificates, reviewing the transcript of proceedings by which the Series 2013 Bonds have been authorized to be issued, and rendering opinions in conventional form as to the validity and legality of the Series 2013 Bonds and to the exemption or lack thereof of interest thereon from income taxation by the United States of America and the State of Louisiana. While Bond Counsel has assisted in the preparation of this Official Statement and is of the opinion that the statements made herein under the headings "**THE SERIES 2013 BONDS**," "**TAX EXEMPTION**," "**LEGAL MATTERS**" and "**FORMS OF PRINCIPAL FINANCING DOCUMENTS**" in **APPENDIX B** hereto fairly summarize the matters there referred to, such counsel has not been requested to check or verify, has not checked or verified, and will express no opinion with respect to the accuracy, completeness, or fairness of any other information contained in this Official Statement (other than the form of legal opinion set forth in **APPENDIX C**).

None of the legal counsel referenced in this Official Statement has (a) participated in the underwriting of the Series 2013 Bonds, (b) provided any advice regarding the creditworthiness of the Series 2013 Bonds or (c) assisted in determining the value of the collateral for the Series 2013 Bonds upon the occurrence of an event of default. Legal counsel have solely and exclusively opined to those matters which are expressly set forth in their opinions which are attached hereto or which have been delivered in connection herewith and no holder of a Series 2013 Bond shall be authorized or entitled to infer that such legal counsel have rendered opinions beyond those stated in their written opinions or to rely on the participation of counsel in this transaction. Except for negligent errors in their express written opinions, legal counsel shall have no obligations to holders of the Series 2013 Bonds and holders of the Series 2013 Bonds must not rely either expressly or implicitly upon such counsel in determining whether the Series 2013 Bonds represent suitable investments or otherwise meet their creditworthiness and risk tolerance standards.

CONTINUING DISCLOSURE

The Authority has determined that no financial or operating data concerning the Authority is material to an evaluation of the offering of the Series 2013 Bonds or to any decisions to purchase, hold or sell the Series 2013 Bonds, and the Authority will not provide any such information. The Board has undertaken all responsibilities for any continuing disclosure to Owners of the Series 2013 Bonds as described below, and the Authority will have no liability to the Owners of the Series 2013 Bonds or any other person with respect to such disclosures.

Pursuant to a Continuing Disclosure Certificate, the Board, through the University, will covenant for the benefit of Bondowners to provide, or cause its Dissemination Agent to provide, certain financial information and operating data relating to the Board by not later than December 31 in each year commencing December 31, 2013, (the “**Annual Report**”), and to provide notices of the occurrence of certain enumerated events, if deemed by the Board to be material (the “**Undertaking**”). The specific nature of the information to be contained in the Annual Report or the notices of material events is set forth in their respective captions in “**APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE.**” The covenants have been made in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Except as provided in the Undertaking, the Board has not undertaken to provide all information investors may desire to have in making decisions to hold, sell or buy the Series 2013 Bonds. Failure to comply with the Undertaking will not constitute an Event of Default under the Indenture (although Bondholders will have any available remedy at law or in equity). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by a broker-dealer or municipal securities dealer before recommending the purchase or sale of the Series 2013 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2013 Bonds and their market price.

The Board has filed all continuing disclosure reports currently required by its prior Undertakings undertaken under the Rule, however not all reports were filed timely. Some of the reporting requirements for filing the financial statements of the University, the Corporation and the Board were filed late.

On October 11, 2013, the Board satisfied the reporting requirements for filing the financial statements of the University, the Board, the Corporation and the annual operating and certain summary financial information of the University due in connection with the outstanding Series 2004, Series 2007, Series 2010 and Series 2011 Bonds. The Board is presently in compliance with its continuing disclosure obligations and has implemented internal and external procedures to ensure timely compliance with its Undertakings in the future, including the employment of a dissemination agent and the establishment of an annually recurring calendar tickler system recently made available through EMMA.

FINANCIAL ADVISOR TO THE UNIVERSITY

Sisung Securities Corporation serves as independent financial advisor (the “**Financial Advisor**”) to the University in connection with the issuance of the Series 2013 Bonds. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the University to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information. The Financial Advisor may receive additional compensation in conjunction with the investment of certain bond proceeds.

MISCELLANEOUS

The information set forth herein relating to the Corporation has been furnished by the Corporation.

The information set forth herein regarding the University has been furnished by the University.

The Authority has furnished only the information included herein under the headings, “**THE AUTHORITY,**” and “**LITIGATION – The Authority.**”

Any statements made in this Official Statement involving estimates or matters of opinion, 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 or matters of opinion will be realized. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the owners of the Series 2013 Bonds.

The Corporation has duly authorized the execution, delivery, and distribution of this Official Statement in connection with the offering of the Series 2013 Bonds.

UNIVERSITY FACILITIES, INC.

By: Joseph L. Morris
Joseph Morris, Executive Director

APPENDIX A

DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION RELATED TO THE UNIVERSITY

THE UNIVERSITY

Southeastern Louisiana University (the “University”) is located in Hammond, Louisiana, the heart of Louisiana’s “Florida Parishes.” Hammond is located at the intersection of Interstate Highways 55 and 12, approximately 60 miles north of New Orleans, Louisiana’s largest city, and 40 miles east of Baton Rouge, the State’s capital. The University has a current enrollment of approximately 15,000 students with a faculty and staff population of approximately 1,300.

HISTORY OF THE UNIVERSITY

The University began as a grass roots movement by the people of Hammond and the surrounding area, who recognized the need for an institution of higher education in order to further the educational, economic, and cultural development of southeast Louisiana. What began as a junior college supported by local taxes has developed into a major university as the University has grown to meet the evolving needs of southeast Louisiana and the Florida parishes.

On July 7, 1925, the voters overwhelmingly approved a bond issue that created Hammond Junior College. Operated under the auspices of the Tangipahoa Parish School Board, President Linus A. Sims opened the doors on September 14, 1925 with a faculty of three women, two men and forty students. The two-year coeducational institution offered basic undergraduate work in arts and sciences that culminated in a teaching certificate.

Rapidly increasing enrollments quickly forced the college out of its two rooms in Hammond High School. In 1927, voters supported the purchase of the Hunter Leake estate on Hammond’s north end. In 1928 Hammond Junior College became Southeastern Louisiana College, formally adopted into the state educational system under the control of the State Board of Education. The purchase of sixty acres adjoining the original fifteen-acre plot provided the space to develop a suitable campus, and in 1934, a state bond issue provided for the construction of McGehee Hall and a gymnasium.

In 1937, the State Board of Education authorized curricula for four-year programs in liberal arts, teacher education, business administration, music, social sciences, and physical education. The first baccalaureate degrees were conferred in May, 1939.

Voter approval of Act No. 388 in 1938, an amendment to the 1920 Louisiana Constitution, granted Southeastern Louisiana College the same legal status as other four-year colleges. The amendment did not, however, require the state to fund the University at the level of other institutions of higher education, despite strong local support.

On January 18, 1946, the State Board made available funds to purchase seven city blocks east and west of the campus, and 275 acres of land north and northwest of the campus, increasing the University’s total area to approximately 365 acres.

On March 3, 1946, the University was formally approved and accepted into full membership in the Southern Association of Colleges and Schools (SACS), as a four-year degree-granting institution.

In 1960, the State Board authorized the University to offer master’s degrees through the newly-formed Division of Graduate Studies. The University began awarding the Education Specialist degree in 1967. Governor John J. McKeithen on June 16, 1970 signed into law the legislative act turning Southeastern Louisiana College into Southeastern Louisiana University. The early 1970’s also saw the construction of D. Vickers, the Athletics Building, and the C.E. Cate Teacher Education Building.

In October of 1986, a group of faculty members launched Fanfare, a festival celebrating the arts, humanities and sciences. Since then, Fanfare has become an acclaimed month long event, drawing nationally and internationally recognized artists and providing recognition for those closer to home. In addition to providing entertainment for the North Shore, Fanfare has an educational outreach program that works closely with local schools. In October of 2005, Fanfare proudly celebrated its 20th anniversary.

The University's enrollment, continually increasing since its inception, reached an important milestone in 1997, registering over fifteen thousand students for the fall semester. Since 1925 the University has conferred over seventy thousand degrees.

As the University celebrated its 75th anniversary in 2000, the Fall semester marked an exciting change as the University implemented screened admissions standards for the first time. Also during the 2000-2001 academic year, the Village, Fayard Hall and the Claude B. Pennington, Jr. Student Activity Center were completed.

In the following years the University continued to expand its' infrastructure with the Teacher Education Center Renovation and Addition in 2003, the Biology Building Renovation and Addition in 2004, the Meade Hall Classroom Renovation in 2007, and the Kinesiology & Health Studies College of Nursing Renovation and Addition in 2011. Improvements continue now with the Student Union Renovation and Addition which is scheduled to be complete in 2014.

Since 1925, many dedicated individuals have led the University from a junior college to the vibrant university it is today. Those individuals are: Linus A. Sims, Yves Leon Fontenot, J. Leon Clark, George W. Bond, Gladney Jack Tinsley, Luther Dyson, Clark LeBlanc Barrow, J.B. Wooley, Clea Parker, J. Larry Crain, G. Warren Smith, Sally Clausen, Randy Moffett, and John Crain.

ORGANIZATION AND ADMINISTRATION

The University is governed by the Board of Supervisors for the University of Louisiana System (the "**Board**"). The Board determines broad administrative and educational policies for the institutions under its management and control.

The administrative officers of the University are responsible for its operation and maintenance in accordance with the rules and policies established by the Board. The following are brief resumes of the principal administrators of the University:

Dr. John L. Crain was named President of Southeastern Louisiana University on February 17, 2009 by the Board of Supervisors of the University of Louisiana System, after serving as Interim President since July 2008.

Crain served as Provost and Vice President for Academic Affairs for seven years prior to his appointment as President. His 27 years of experience on the Hammond campus also include head of the Department of Accounting, chair of the Council of Department Heads, president of the Faculty Senate, director of the Small Business Development Center, and 13 years as a full-time member of the accounting faculty.

Crain is a native of Franklinton and received a Bachelor of Science degree in accounting from Southeastern in 1981 and Master of Business Administration in 1984. He received his doctoral degree in accountancy from the University of Mississippi in 1988.

Dr. Tammy Bourg served in an interim capacity as Provost and Vice President of Academic Affairs at Southeastern Louisiana University since June 2008, and was named permanently to the position following a nationwide search in 2010.

Dr. Bourg served as dean of the Southeastern College of Arts and Sciences from 2003 to 2005 and as dean of the new College of Arts, Humanities and Social Sciences from 2005-2008. She also served on the psychology faculty at California State University, Sacramento, for 17 years, and headed its Department of Psychology during her last four years there. In 1992 and 1993, she was a visiting scholar at the Center for Research in Learning, Perception, and Cognition at the University of Minnesota.

Dr. Bourg holds a doctorate and master's degree in psychology, with a specialization in child development, from the University of Houston and an undergraduate degree in psychology from the University of New Orleans.

Sam Domiano has been serving in an interim capacity as the Vice President for Administration and Finance since March 2012. He has served for more than 18 years at Southeastern earning numerous promotions during his tenure. He has proven to be extremely effective in all areas demonstrating sound managerial and organizational skills while placing specific emphasis on fiscal management, enhanced services, and increased efficiencies supported by strong policy development. Mr. Domiano began his career at the University as an Area Coordinator in University Housing in 1995. He has since served as the Director of the War Memorial Student Union, Director of Career Services, Assistant Director of Auxiliary Services, Director of New Student Enrollment and Student Aid and Assistant Vice President for Operations. Prior to his work at the University, he served several years in management positions in the private business sector.

Mr. Domiano is a native of Independence and received a Bachelor of Arts degree in marketing in 1989 and a Master of Business Administration in 1995.

Stephen Smith served as Vice President of Administration and Finance at Southeastern Louisiana University from December 1990 through March 2012. Mr. Smith currently serves as Interim Budget Director and is a University Facilities, Inc. Board Member. Mr. Smith has more than 36 years in managerial positions of ever-increasing scope and responsibility. He has a proven track record of success in fiscal management, budgeting administration, support services, information processing, and other related areas. He began his career at Southeastern in 1977 and has served in various roles since including Controller, Assistant Vice President of Finance and Controller, Vice President of Administration and Finance, and, currently, Interim Budget Director. Prior to joining Southeastern, he worked as a staff auditor for private accounting firms in Louisiana.

He has an earned Bachelor of Science in Accounting and a Master of Business Administration both from Southeastern. He received his license to practice as a Certified Public Accountant in 1980 and is a member of the American Institute of CPAs.

ACCREDITATION

The University is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award Associate, Baccalaureate, Master's, and Doctoral degrees. The University is a Level V institution.

The University's role, mission, and scope statement addresses the role of the University as a regional university and describes the variety of degree programs the University is authorized to award. The University focuses on providing relevant and current instruction through credit and non-credit offerings as well as learning experiences beyond the traditional classroom. In addition, service to the region (particularly through partnerships with others) and the scope of appropriate research are addressed as important aspects to the University's mission.

The University is a member of and is fully accredited by the:

- Accreditation Board for Engineering and Technology (B.S. in Computer Science)
- American Association of Family and Consumer Sciences (B.S. in Family & Consumer Science)
- American Chemical Society (B.S. in Chemistry)
- Association to Advance Collegiate Schools of Business (B.S. in Accounting, B.B.A. in Business Administration, B.S. in Finance, B.A. in Marketing, B.A. in Management, B.S. in Supply Chain Management. MBA)
- Commission on Accreditation of Athletic Training Education (B.S. in Athletic Training)
- Commission on Collegiate Nursing Education (B.S. in Nursing, M.S.N. in Nursing)
- Council on Academic Accreditation in Audiology and Speech-Language Pathology (M.S. in Communication Sciences & Disorders)
- Council for Accreditation of Counseling and Related Educational Programs (M.Ed. in Counselor Education)
- Council on Social Work Education (B.A. in Social Work)

- Association of Technology, Management, and Applied Engineering (A.A.S. and B.S. in Industrial Technology)
- National Association of Schools of Music (B.M. and M.Mus. in Music)
- National Council for Accreditation of Teacher Education (Ed.D. in Educational Leadership; M.Ed. in Curriculum & Instruction; M.Ed. in Educational Technology Leadership; M.Ed. in Educational Leadership; M.Ed. in Counselor Education; M.Ed. in Special Education; B.S. in Elementary Education Grades 1-5; B.A. in English Education; B.A. in Social Studies Education; B.S. in Health & Physical Education K-12; B.S. Early Childhood Education Grades PK-3; B.S. in Elementary Education and Special Education Mild/Moderate Grades 1-5; B.S. Middle School Grades 4-8; B.S. Middle School Education Special Education Mild/Moderate Grades 4-8; M.A.T. Elementary Education Grades 1-5; M.A.T. Special Education Early Intervention Birth-5)
- National Association of Schools of Art and Design (B.A. in Art)

UNIVERSITY DEMOGRAPHIC INFORMATION

| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Students | 14,949 | 15,602 | 15,414 | 15,351 | 15,160 | 15,224 | 14,757 | 15,118 | 16,068 | 15,472 |
| Total Hours | 173,606 | 181,967 | 183,751 | 187,239 | 189,207 | 189,059 | 187,745 | 193,420 | 198,438 | 191,896 |
| Students, By Class | | | | | | | | | | |
| Freshmen | 5,628 | 5,574 | 5,309 | 5,185 | 4,919 | 5,255 | 4,808 | 4,927 | 5,732 | 5,002 |
| Sophomore | 2,200 | 2,417 | 2,550 | 2,459 | 2,693 | 2,626 | 2,578 | 2,712 | 2,787 | 2,880 |
| Junior | 2,194 | 2,352 | 2,292 | 2,441 | 2,399 | 2,353 | 2,328 | 2,405 | 2,356 | 2,348 |
| Senior | <u>3,722</u> | <u>3,897</u> | <u>3,921</u> | <u>3,865</u> | <u>3,773</u> | <u>1,641</u> | <u>3,539</u> | <u>3,508</u> | <u>3,488</u> | <u>3,434</u> |
| Undergraduate Total | 13,744 | 14,240 | 14,072 | 13,950 | 13,784 | 13,875 | 13,253 | 13,552 | 14,363 | 13,664 |
| Grad/Spec | 1,205 | 1,362 | 1,342 | 1,401 | 1,376 | 1,349 | 1,504 | 1,566 | 1,705 | 1,808 |
| New Students | | | | | | | | | | |
| Undergraduate | | | | | | | | | | |
| New Freshmen | 3,604 | 3,476 | 3,376 | 3,074 | 2,998 | 3,320 | 2,950 | 2,744 | 2,330 | 2,387 |
| Transfers | 419 | 432 | 505 | 559 | 562 | 596 | 634 | 659 | 798 | 734 |
| Other | <u>185</u> | <u>191</u> | <u>212</u> | <u>228</u> | <u>197</u> | <u>187</u> | <u>60</u> | <u>77</u> | <u>33</u> | <u>35</u> |
| Undergraduate Total | 4,208 | 4,099 | 4,093 | 3,861 | 3,757 | 4,103 | 3,644 | 3,430 | 3,161 | 3,156 |
| Graduate | 224 | 289 | 279 | 265 | 288 | 311 | 349 | 372 | 323 | 374 |
| Beginning Freshman ACT | 22.0 | 22.1 | 22.3 | 22.1 | 21.7 | 21.4 | 21.2 | 21.1 | 21.0 | 21.0 |
| Average H.S. GPA* | 3.017 | 3.151 | 3.083 | 3.084 | 3.019 | 3.076 | 3.003 | 3.093 | 3.065 | 2.993 |
| Graduated in Top 20% of Class* | 24.35% | 28.65% | 28.38% | 27.00% | 23.50% | 23.90% | 22.40% | 22.40% | 22.10% | 21.60% |

*Note: Preliminary data presented for 2013 pending official class counts.

Source: Southeastern Institutional Research and Assessment

COMPOSITION OF STUDENT BODY

Fall Semester of Academic Year

| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Average Age | | | | | | | | | | |
| Undergraduate | 21.3 | 21.5 | 21.7 | 21.9 | 22.0 | 21.8 | 22.0 | 22.4 | 22.7 | 23.0 |
| Graduate | 32.0 | 32.2 | 32.3 | 33.2 | 32.8 | 32.7 | 33.0 | 33.2 | 33.3 | 33.3 |
| Undergraduates | | | | | | | | | | |
| Males | 5,486 | 5,619 | 5,595 | 5,466 | 5,312 | 5,269 | 5,370 | 5,148 | 5,476 | 5,246 |
| | 40% | 39% | 40% | 38% | 39% | 38% | 36% | 38% | 38% | 38% |
| Females | 8,258 | 8,621 | 8,477 | 8,484 | 8,472 | 8,606 | 9,387 | 8,404 | 8,887 | 8,418 |
| | 60% | 61% | 60% | 62% | 61% | 62% | 64% | 62% | 62% | 62% |
| Race (Undergraduate) | | | | | | | | | | |
| White | 9,206 | 9,805 | 11,655 | 11,650 | 10,436 | 10,459 | 11,368 | 12,372 | 10,904 | 10,822 |
| African American | 2,083 | 2,192 | 2,272 | 2,577 | 2,381 | 2,407 | 2,515 | 2,364 | 2,630 | 2,217 |
| Hispanic | 746 | 721 | 542 | 407 | 290 | 314 | 310 | 279 | 346 | 206 |
| Other | 1,709 | 1,522 | 673 | 717 | 677 | 695 | 504 | 537 | 533 | 419 |
| Federal Financial Aid (# of Students) | 8,385* | 7,630 | 7,746 | 8,212 | 7,587 | 6,840 | 6,906 | 6,688 | 8,320 | 8,131 |

*Awards through October 7, 2013. Awards are continuing to be made. Preliminary data presented for 2013 pending official class counts.

Source: Southeastern Institutional Research and Assessment

[Remainder of this page intentionally left blank]

UNIVERSITY STUDENT DEMAND

| All Entering Undergraduate | <u>Summer/ Fall 2013*</u> | <u>Summer/ Fall 2012</u> | <u>Summer/ Fall 2011</u> | <u>Summer/ Fall 2010</u> | <u>Summer/ Fall 2009</u> |
|-----------------------------------|--------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Students | | | | | |
| Applications | 11,400 | 12,134 | 11,330 | 12,084 | 10,745 |
| Accept % | 53.86% | 53.92% | 49.60% | 48.19% | 51.21% |
| Accepts | 6,140 | 6,543 | 5,620 | 5,823 | 5,503 |
| Capture % | 76.45% | 76.66% | 81.80% | 83.41% | 83.92% |
| Enrolled in Fall | 4,694 | 5,016 | 4,597 | 4,857 | 4,618 |
| New Freshmen | | | | | |
| | <u>Summer/ Fall 2013</u> | <u>Summer/ Fall 2012</u> | <u>Summer/ Fall 2011</u> | <u>Summer/ Fall 2010</u> | <u>Summer/ Fall 2009</u> |
| Applications | 9,179 | 9,841 | 8,647 | 8,710 | 7,552 |
| Accept % | 57.28% | 53.16% | 53.52% | 49.16% | 53.16% |
| Accepts | 5,258 | 5,231 | 4,628 | 4,282 | 4,015 |
| Capture % | 75.94% | 76.39% | 82.22% | 85.08% | 84.88% |
| Enrolled in Fall | 3,993 | 3,996 | 3,805 | 3,643 | 3,408 |
| Transfers | | | | | |
| | <u>Summer/ Fall 2013</u> | <u>Summer/ Fall 2012</u> | <u>Summer/ Fall 2011</u> | <u>Summer/ Fall 2010</u> | <u>Summer/ Fall 2009</u> |
| Applications | 2,017 | 2,640 | 2,683 | 2,210 | 2,092 |
| Accept % | 36.99% | 36.10% | 36.97% | 38.05% | 38.38% |
| Accepts | 746 | 953 | 992 | 841 | 803 |
| Capture % | 80.03% | 77.75% | 79.84% | 78.72% | 84.18% |
| Enrolled in Fall | 597 | 741 | 792 | 662 | 676 |
| New Graduate Students | | | | | |
| | <u>Summer/ Fall 2013</u> | <u>Summer/ Fall 2012</u> | <u>Summer/ Fall 2011</u> | <u>Summer/ Fall 2010</u> | <u>Summer/ Fall 2009</u> |
| Applications | 799 | 1,326 | 1,314 | 1,348 | 1,293 |
| Accept % | 62.20% | 62.37% | 61.57% | 58.90% | 61.79% |
| Accepts | 497 | 827 | 809 | 794 | 799 |
| Capture % | 48.09% | 56.95% | 62.42% | 65.37% | 65.83% |
| Enrolled in Fall | 239 | 471 | 505 | 519 | 526 |

*Note: Preliminary data presented for 2013 pending official class counts.

Source: Southeastern Institutional Research and Assessment

STATEWIDE GRADUATION RATES

| | <u>2013*</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|--|--------------|--------------------|--------------------|--------------------|--------------------|
| ULS Schools | | 2006 Cohort | 2005 Cohort | 2004 Cohort | 2003 Cohort |
| Grambling State University | N/A | 31.46% | 28.12% | 29.90% | 37.30% |
| Louisiana Tech University | N/A | 52.77% | 54.83% | 53.20% | 53.10% |
| McNeese State University | N/A | 40.38% | 40.21% | 37.90% | 38.60% |
| Nicholls State University | N/A | 43.33% | 41.88% | 31.90% | 30.10% |
| University of Louisiana at Monroe | N/A | 41.95% | 38.01% | 32.70% | 32.80% |
| Northwestern Louisiana University | N/A | 40.72% | 38.89% | 35.30% | 33.90% |
| Southeastern Louisiana University | N/A | 40.10% | 37.92% | 34.80% | 31.20% |
| University of Louisiana at Lafayette | N/A | 49.07% | 47.08% | 46.40% | 44.30% |
| ULS System Graduation Rates | N/A | 38.23% | 37.03% | 39.00% | 38.30% |

*Note: Data not yet available for 2013. Also, the University of New Orleans ("UNO") joined ULS in 2012. Graduation rates for UNO are not yet available.

Source: Southeastern Institutional Research and Assessment

UNIVERSITY FACULTY

| | <u>2013*</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|---|--------------|-------------|-------------|-------------|-------------|
| Full-time Faculty | 502 | 511 | 524 | 530 | 542 |
| Part-time Faculty | 130 | 120 | 106 | 100 | 118 |
| Number Tenured** | 233 | 230 | 222 | 220 | 203 |
| Number with Terminal Degree** | 303 | 337 | 347 | 351 | 331 |
| Total Faculty: | 632 | 631 | 630 | 630 | 660 |
| <i>** Only includes full-time faculty</i> | | | | | |

*Note: 2013 official data not available until census date of November 1st.

Source: Southeastern Institutional Research and Assessment; 2013 unofficial data provided by Southeastern Human Resources.

[Remainder of this page intentionally left blank]

TUITION AND FEES

The University meets the cost of its educational program primarily through tuition, fees, state appropriations and federal grants contracts. The following table sets forth the base tuition and fees charged each semester to full-time undergraduate students on the basis of in-state residence for the year.

| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Tuition | \$2,181.00 | \$1,926.70 | \$1,696.50 | \$1,496.50 | \$1,273.00 |
| Student Union Bond Fee | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Health Center Bond Fee | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Academic Excellence Fee | 120.00 | 120.00 | 120.00 | 120.00 | 120.00 |
| Student Union Expansion/ Operations Fee | 44.00 | 44.00 | 44.00 | 44.00 | 44.00 |
| Student Rec Building Fee | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Student Rec Operating Fee | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Other Fees | <u>471.55</u> | <u>489.55</u> | <u>400.55</u> | <u>298.30</u> | <u>334.30</u> |
| Total | \$2,857.55 | \$2,621.25 | \$2,302.05 | \$1,999.80 | \$1,812.30 |
| Dormitory and Meal Plan | \$3,355.00 | \$3,255.00 | \$3,170.00 | \$3,155.00 | \$3,055.00 |

Source: Southeastern Controller's Office

STATE APPROPRIATIONS

The following chart shows the history of annual State appropriations to the University since 2004-05:

| <u>Fiscal Year*</u> | <u>State Appropriations</u> |
|---------------------|---------------------------------|
| 2013-14** | \$32,667,298 |
| 2012-13 | 39,214,499 |
| 2011-12 | 46,407,986 |
| 2010-11*** | 69,477,423 |
| 2009-10**** | 63,704,975 |
| 2008-09 | 75,839,584 |
| 2007-08 | 74,000,335 |
| 2006-07 | 52,794,476 |
| 2005-06 | 46,015,098 |
| 2004-05 | 44,572,142 |

* FY 13-14 is current budget. All other figures are end of year actuals.

** FY 13-14 contains \$13,444,075 in Overcollections funds.

*** FY 10-11 contains \$16,340,635 in ARRA funds.

**** FY 09-10 contains \$10,222,480 in ARRA funds.

Source: Southeastern Controller's Office

SOURCES OF UNRESTRICTED REVENUE

| | <u>2014*</u> | | <u>2013</u> | | <u>2012</u> | | <u>2011</u> | | <u>2010</u> | | <u>2009</u> | |
|----------------------|---------------|------|---------------|------|---------------|------|---------------|------|---------------|------|---------------|------|
| State Appropriations | \$31,582,069 | 24% | \$39,214,499 | 30% | \$46,407,986 | 34% | \$53,136,788 | 36% | \$53,482,495 | 39% | \$75,839,584 | 53% |
| ARRA Funds | - | 0% | - | 0% | - | 0% | 16,340,635 | 11% | 10,222,480 | 7% | - | 0% |
| Carry Forward | - | 0% | - | 0% | 6,399,144 | 5% | - | 0% | - | 0% | - | 0% |
| Tuition & Fees | 69,906,315 | 53% | 65,772,081 | 50% | 60,174,996 | 44% | 54,374,873 | 37% | 47,562,870 | 35% | 42,286,173 | 30% |
| Auxiliary Revenue** | 23,960,371 | 18% | 22,370,455 | 17% | 21,373,626 | 15% | 21,329,158 | 14% | 20,993,476 | 15% | 20,380,509 | 14% |
| Other Revenue | 5,936,073 | 5% | 3,938,813 | 3% | 3,682,197 | 3% | 3,531,352 | 2% | 4,048,156 | 3% | 4,605,635 | 3% |
| | \$131,384,828 | 100% | \$131,295,848 | 100% | \$138,037,949 | 100% | \$148,712,806 | 100% | \$136,309,477 | 100% | \$143,111,901 | 100% |

*Fiscal Year 2013-14 column contains budgeted amounts. All other columns are year-end actuals.

Source: Southeastern Controller's Office

[Remainder of this page intentionally left blank]

DEBT MANAGEMENT

The following is a list of the other bonded indebtedness of the University and the principal amount outstanding as of October 1, 2013:

\$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004A
AND
\$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004B
AND
\$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Housing/University Facilities, Inc. Project) Series 2004C

Issue Date: August 13, 2004

| | | |
|------------------------|----------------------|----------------|
| Final Maturity: | Series 2004A: | August 1, 2031 |
| | Series 2004B: | August 1, 2034 |
| | Series 2004C: | August 1, 2007 |

| | | |
|-----------------------------|----------------------|--------------|
| Outstanding Balance: | Series 2004A: | \$52,230,000 |
| | Series 2004B: | \$15,000,000 |
| | Series 2004C: | \$0 |

Purpose: The Series 2004 Bonds (the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds) were issued to provide funds (i) to finance the cost of (a) refinancing the existing debt associated with Southeastern Oaks and the Village (the “**Existing Facilities**”), (b) acquiring, constructing, furnishing and equipping two (2) student housing facilities containing 1,514 beds, including the buildings, furniture, fixtures and equipment therefore and related facilities (the “**New Facilities**”), (c) renovating an existing student housing facility (the “**Renovated Facility**”), and (d) demolishing four existing student housing facilities, all on the campus of the University; (ii) to fund the costs of marketing the New Facilities and the Renovated Facility; (iii) to provide working capital for the New Facilities and the Renovated Facility; (iv) to fund interest on the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds during construction; (v) to provide funds to repay certain indebtedness of University Facilities, Inc.; (vi) to fund a Debt Service Reserve Fund; (vii) to fund a replacement fund; and (viii) to pay the costs of issuing the Series 2004 Bonds. The Series 2004C Bonds are no longer outstanding.

Security: The Series 2004A Bonds are secured by the revenues generated by an Agreement to Lease With Option to Purchase (the “**Facilities Lease**”) between the Corporation and the Board. The Board is obligated to make payments under the Facilities Lease from revenues from the operation of the Existing Facilities, the New Facilities and the Renovated Facility.

HISTORIAL DEBT COVERAGE

| | <u>Fiscal Year 6/30/13</u> | <u>Fiscal Year 6/30/12</u> | <u>Fiscal Year 6/30/11</u> | <u>Fiscal Year 6/30/10</u> | <u>Fiscal Year 6/30/09</u> |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <u>University Auxiliary Services Revenues</u> | | | | | |
| Auxiliary Services Revenue | \$8,081,352 | \$7,083,825 | \$7,442,754 | \$7,691,242 | \$7,406,894 |
| Auxiliary Expenditures | <u>(6,269,603)</u> | <u>(6,170,500)</u> | <u>(5,917,353)</u> | <u>(5,655,606)</u> | <u>(5,928,431)</u> |
| Pledged Funds Available from Auxiliary Revenues | 1,811,749 | 913,325 | 1,525,401 | 2,035,636 | 1,478,463 |
| University Housing/University Facilities, Inc. | | | | | |
| Housing/UFI Revenues | 11,740,992 | 11,737,986 | 11,776,465 | 11,209,990 | 10,736,912 |
| Housing/UFI Expenditures | <u>(5,263,624)</u> | <u>(5,120,421)</u> | <u>(5,009,276)</u> | <u>(4,649,410)</u> | <u>(4,647,278)</u> |
| Pledged Funds Available from Housing/ UFI Revenues | 6,477,368 | 6,617,565 | 6,767,189 | 6,556,580 | 6,089,634 |
| Total Pledged Funds Available | 8,289,117 | 7,530,890 | 8,292,590 | 8,596,216 | 7,568,097 |
| Annual Debt Service | 4,341,825 | 4,245,015 | 4,153,532 | 4,306,996 | 4,229,132 |
| Debt Service Coverage (Housing Revenues Only) | 1.49 | 1.56 | 1.63 | 1.52 | 1.44 |
| Debt Service Coverage (Available Auxiliary/Housing) | 1.91 | 1.77 | 2.00 | 2.00 | 1.79 |

Source: Southeastern Controller's Office

**\$5,545,000 Louisiana Local Government Environmental Facilities and Community Development Authority
Revenue Bonds (Southeastern Louisiana University Student Housing/
University Facilities, Inc. Parking Project) Series 2007A**

AND

**\$2,490,000 Louisiana Local Government Environmental Facilities and Community Development Authority
Revenue Bonds (Southeastern Louisiana University Student Housing/
University Facilities, Inc. Parking Project) Series 2007B**

Issue Date: March 14, 2007

Final Maturity: **Series 2007A:** February 1, 2031
 Series 2007B: February 1, 2037

Outstanding Balance: **Series 2007A:** \$4,600,000
 Series 2007B: \$330,000

Purpose: The Series 2007 Bonds (the Series 2007A Bonds and the Series 2007B Bonds) were issued to provide funds (i) to finance a portion of the cost of construction of a new intermodal parking facility located on the campus of the University, (ii) to fund a deposit to the Debt Service Reserve Fund, and (iii) to pay the costs of issuing the Series 2007 Bonds.

Security: The Series 2007 Bonds are secured by the revenues generated by the Agreement to Lease With Option to Purchase (the “**Facilities Lease**”) between the Corporation and the Board. The Board is obligated to make payments under the Facilities Lease from: (i) the proceeds of a student parking fee being assessed on all students for the planning, building and maintaining of a University parking garage, in the amount of \$20 per semester (\$10 for summer) and (ii) the funds and revenues held by the University derived by its Auxiliary Enterprises and any earnings thereof from the self-generated fees, rates, charges or income received by students, faculty or the public in connection with the utilization or operation of Auxiliary Enterprises after payment of any auxiliary expenses.

Historical Debt Coverage:

| | <u>FY 2012-13</u> | <u>FY 2011-12</u> | <u>FY 2010-11</u> | <u>FY 2009-2010</u> | <u>FY 2008-2009</u> |
|-----------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| Pledged Revenues | \$563,355.38 | \$584,294 | \$646,428 | \$1,390,701 | \$1,237,048 |
| Annual Debt Service | \$383,948 | \$373,256 | \$378,305 | \$534,262 | \$372,523 |
| Debt Service Coverage | 1.47 | 1.57 | 1.71 | 2.60 | 3.32 |

Source: Southeastern Controller’s Office

**\$25,470,000 Louisiana Local Government Environmental Facilities and Community Development Authority
Tax-Exempt Revenue Bonds (Southeastern Louisiana University Student Union/
University Facilities, Inc. Project) Series 2010A**

AND

**\$5,785,000 Louisiana Local Government Environmental Facilities and Community Development Authority
Taxable Revenue Bonds (Southeastern Louisiana University Student Union/
University Facilities, Inc. Project) Series 2010B**

Issue Date: November 17, 2010

Final Maturity: **Series 2010A:** October 1, 2026
 Series 2010B: October 1, 2020

Outstanding Balance: **Series 2010:** \$25,470,000
 Series 2010: \$4,745,000

Purpose: The Series 2010 Bonds (the Series 2010A Bonds and the Series 2010B Bonds) were issued to provide a portion of the funds (i) to demolish certain existing facilities and renovate, develop and construct the Student Union, the Center for Student Excellence, Student Health Center, Food Service Areas, the Bookstore and other related facilities on the campus of the University, (ii) to fund a deposit to the Debt Service Reserve Fund, and (iii) to pay the costs of issuance for the Series 2010 Bonds.

Security: The Series 2010 Bonds are secured by the revenues generated by the Agreement to Lease With Option to Purchase (the “**Facilities Lease**”) between the Corporation and the Board. The Board is obligated to make payments under the Facilities Lease from the proceeds of: (i) the Student Union Bond Fee, the Health Center Bond Fee, a portion of the Building Use Fee and a Student Union Expansion Fee and (ii) annual Capital Improvement Funds received by the University from the University’s food service provider.

Historical Debt Coverage:

| | <u>FY 2012-13</u> | <u>FY 2011-12</u> | <u>FY 2010-11</u> |
|------------------------------|--------------------------|--------------------------|--------------------------|
| Pledged Revenues | \$2,828,176.89 | \$2,666,609.41 | \$2,116,099 |
| Annual Debt Service | \$1,929,063.39 | \$1,775,470.03 | \$499,025 |
| Debt Service Coverage | 1.47 | 1.50 | 4.24 |

Source: Southeastern Controller’s Office

\$3,650,000
Board of Supervisors for the University of Louisiana System
Revenue Refunding Bonds
(Southeastern Louisiana University Student Recreation and Activity Center Project)
Series 2011

Issue Date: December 7, 2011

Final Maturity: June 1, 2020

Outstanding Balance: \$2,950,000

Purpose: The Series 2011 Bonds were issued to (i) currently refund the Board's Outstanding Revenue Bonds (Southeastern Louisiana University Student Recreation and Activity Center Project), Series 1998, which were issued on June 30, 1998 to finance a portion of the cost of planning and constructing a new student activity center to serve as a comprehensive recreation and intramural sports complex (the "Facilities"), (ii) pay the costs of issuance for the Series 2011 Bonds.

Security: The Series 2011 Bonds are secured by a pledge of (i) the proceeds of a portion of self-assessed Student Fee, consisting of \$25.00 per semester (\$12.50 per summer semester) per student (the "Pledged Student Fee"); (ii) the membership fees imposed by the University on users of the Facility, other than University students; (iii) any other applicable student fees hereinafter levied to pay for the Facility; and (iv) all funds and accounts established pursuant to the Bond Resolution and pledged to payment of the Series 2011 Bonds (collectively, "Pledged Revenues").

Historical Debt Coverage:

| | <u>FY 2012-13</u> | <u>FY 2011-12</u> | <u>FY 2010-11</u> |
|------------------------------|-------------------|-------------------|-------------------|
| Pledged Revenues | \$714,220 | \$737,906 | \$862,814 |
| Annual Debt Service | \$474,481 | \$468,589 | \$576,670 |
| Debt Service Coverage | 1.51 | 1.57 | 1.50 |

Source: Southeastern Controller's Office

APPENDIX B

FORMS OF PRINCIPAL FINANCING DOCUMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF
FIRST SUPPLEMENTAL TRUST INDENTURE

by and between

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(as Trustee)

Dated as of November 1, 2013

in connection with:

\$40,910,000
Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

{B0888665.8}

TABLE OF CONTENTS

Article I DEFINITIONS AND RULES OF CONSTRUCTION 3

 Section 1.1 Definitions 3

 Section 1.2 Rules of Construction 11

Article II GRANTING CLAUSES 12

 Section 2.1 Granting Clauses 12

Article III AUTHORIZATION, TERMS AND CONDITIONS OF SERIES 2013 BONDS 14

 Section 3.1 Series 2013 Bonds Issuable Under this Article Only 14

 Section 3.2 Authorization of Series 2013 Bonds 14

 Section 3.3 Form of Series 2013 Bonds 15

 Section 3.4 Redemption of Series 2013 Bonds 15

 Section 3.5 Execution; Limitation of Liability 17

 Section 3.6 Authentication 18

 Section 3.7 Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds 18

 Section 3.8 Registration of Series 2013 Bonds 18

 Section 3.9 Persons Treated as Owners 18

 Section 3.10 Exchange and Transfer of Series 2013 Bonds 19

 Section 3.11 Cancellation and Destruction of Surrendered Series 2013 Bonds 19

 Section 3.12 Delivery of the Series 2013 Bonds 19

 Section 3.13 Book-Entry Registration of Series 2013 Bonds 20

Article IV FUNDS AND ACCOUNTS; FLOW OF FUNDS; INVESTMENTS; DEPOSITS; ARBITRAGE 22

 Section 4.1 Creation and Use of Funds and Accounts 22

 Section 4.2 Series 2013 Bond Proceeds Fund 22

 Section 4.3 Series 2013 Debt Service Fund 23

 Section 4.4 Replacement Fund 23

 Section 4.5 Series 2013 Rebate Fund 23

 Section 4.6 Receipts Fund 23

 Section 4.7 Series 2013 Debt Service Reserve Fund 25

 Section 4.8 Surplus Fund 26

 Section 4.9 Investments 26

 Section 4.10 Depository of Moneys and Security for Deposits 27

 Section 4.11 Arbitrage 27

 Section 4.12 Amounts Remaining in Funds; Releases 27

 Section 4.13 Application of Moneys in the Series 2013 Debt Service Reserve Fund 27

 Section 4.14 Application of Insurance Proceeds; Condemnation Award 28

 Section 4.15 Application of Money in the Replacement Fund 29

 Section 4.16 Application of Money in the Surplus Fund 29

 Section 4.17 Application of Moneys in the Series 2013 Rebate Fund 30

Article V ADDITIONAL BONDS 30

 Section 5.1 Additional Bonds 30

Article VI COSTS OF ISSUANCE 30

 Section 6.1 Payment of Costs of Issuance from Series 2013 Bond Proceeds Fund 30

Article VII ENFORCEMENT OF LOAN AGREEMENT AND FACILITIES LEASE 30

 Section 7.1 Assignment of Loan Agreement and Facilities Lease 30

 Section 7.2 Trustee or Bondholders to Enforce Loan Agreement, Facilities Lease and Mortgage 31

Article VIII EVENTS OF DEFAULT; REMEDIES 31

 Section 8.1 No Extension of Time for Payment of Principal, Premium or Interest 31

 Section 8.2 Events of Default 31

 Section 8.3 Remedies 32

 Section 8.4 Acceleration; Annulment of Acceleration 32

 Section 8.5 Insufficiency in the Series 2013 Debt Service Fund; Application of Moneys 33

 Section 8.6 Discontinuance of Proceedings 34

 Section 8.7 Reserved 34

 Section 8.8 Remedies Not Exclusive 34

 Section 8.9 Remedies Vested in Trustee 34

 Section 8.10 Reserved 34

 Section 8.11 Individual Bondholder Action Restricted 34

 Section 8.12 Waiver and Non-Waiver of Event of Default 35

 Section 8.13 Notice of Defaults 35

 Section 8.14 Opportunity of Corporation to Cure Certain Defaults 35

Article IX CONCERNING THE TRUSTEE 35

 Section 9.1 Acceptance of Trusts 35

 Section 9.2 Trustee Entitled to Indemnity 37

 Section 9.3 Trustee Not Responsible for Insurance, Taxes, Execution of Supplemental Indenture, Acts of the Authority or Application of Moneys Applied in Accordance with this Supplemental Indenture 37

 Section 9.4 Compensation 38

 Section 9.5 Trustee to Preserve Records 38

 Section 9.6 Trustee May be Bondholder 38

 Section 9.7 Trustee Not Responsible for Recitals 39

 Section 9.8 Trustee Responsible for Reinscription 39

 Section 9.9 Trustee May Rely on Certificates 39

Article X RESERVED 39

Article XI COVENANTS OF AUTHORITY 39

 Section 11.1 Payment of Principal, Premium and Interest 39

 Section 11.2 Additional Security 39

 Section 11.3 Cure Title Defects 39

 Section 11.4 Defend Against Actions 40

 Section 11.5 Non-Impairment of Security 40

 Section 11.6 Authority's Obligation Limited 40

Article XII DEFEASANCE 40

 Section 12.1 Payment 40

 Section 12.2 Provision for Payment 41

 Section 12.3 Certifications 41

Article XIII MISCELLANEOUS 41

B-2

| | | |
|---------------|--|----|
| Section 13.1 | <u>Covenants of Authority Binds its Successors</u> | 41 |
| Section 13.2 | <u>Preservation and Inspection of Documents</u> | 42 |
| Section 13.3 | <u>Parties Interest Herein</u> | 42 |
| Section 13.4 | <u>No Recourse on the Series 2013 Bonds</u> | 42 |
| Section 13.5 | <u>Severability</u> | 42 |
| Section 13.6 | <u>Consents and Approvals</u> | 42 |
| Section 13.7 | <u>Notices</u> | 42 |
| Section 13.8 | <u>Notices to Bondholders</u> | 43 |
| Section 13.9 | <u>Applicable Law</u> | 43 |
| Section 13.10 | <u>Captions</u> | 43 |
| Section 13.11 | <u>Supplemental Indenture to Constitute a Contract</u> | 43 |
| Section 13.12 | <u>Performance on Legal Holidays</u> | 43 |
| Section 13.13 | <u>Continuing Disclosure Certificates</u> | 44 |
| Section 13.14 | <u>Amendments to Original Indenture</u> | 44 |

FIRST SUPPLEMENTAL TRUST INDENTURE

This FIRST SUPPLEMENTAL TRUST INDENTURE dated as of November 1, 2013 (the “*Supplemental Indenture*”), is between the LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (the “*Authority*”), and The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing by virtue of the laws of the United States of America and duly authorized to accept and execute trusts, as trustee (the “*Trustee*”) and supplements and amends that certain Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee (the “*Original Indenture*”).

WITNESSETH:

WHEREAS, the Authority is a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 (the “*LCDA Act*”), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the “*Refunding Act*” and, together with the LCDA Act, the “*Act*”), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, pursuant to the Original Indenture and in accordance with the provisions of the Act, the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*” and, together with the Series 2004A Bonds, the “*Series 2004 Bonds*”) on behalf of University Facilities Inc., a Louisiana non-profit corporation (the “*Corporation*”), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University;

WHEREAS, the Corporation has requested that the Authority issue its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”) to refund all of the outstanding Series 2004A Bonds (the “*Refunded Bonds*”), such Series 2013 Bonds to be issued on a parity with the Series 2004B Bonds (the “*Unrefunded Bonds*”);

WHEREAS, the Authority is authorized under the provisions of the Act and other constitutional and statutory authority to issue refunding bonds for such purposes and the Authority has determined that it is most advantageous to the Authority and necessary for it to issue its Series 2013 Bonds as hereinafter provided for such purposes;

WHEREAS, pursuant to Section 5.2 of the Original Indenture, Refunding Bonds may be issued to refund all or a portion of the Series 2004 Bonds pursuant to a supplement to the Original Indenture without the consent of the Series 2004 Bond Insurer (as hereinafter defined);

EXHIBIT A – FORM OF SERIES 2013 BOND

B-3

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

WHEREAS, the proceeds of the sale of the Series 2013 Bonds shall be loaned to the Corporation pursuant to that Loan and Assignment Agreement dated as of August 1, 2004 (the "*Original Loan Agreement*"), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the "*First Supplemental Loan Agreement*" and, together with the Original Loan Agreement, the "*Loan Agreement*"), each between the Corporation and the Authority, for the purpose of (i) refunding the Refunded Bonds (as hereinafter defined) and (ii) paying the costs of issuance of the Series 2013 Bonds;

WHEREAS, pursuant to the Loan Agreement, the Corporation has assigned its rights under that certain Facilities Lease (as defined herein) pursuant to which the Corporation is leasing the Facilities to the Board including its right to all Base Rentals received thereunder, to the Authority, and has agreed to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds (as defined herein), and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, the Corporation, as Lessee, has leased the Property from the Board, as Lessor, upon which the Facilities were constructed for the Board pursuant to Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the "*First Amendment to Ground Lease*"), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the "*Second Amendment to Ground Lease*"), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "*Third Supplemental Ground Lease*" and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the "*Ground Lease*") each by and between the Board and the Corporation;

WHEREAS, the fully registered Series 2013 Bonds and the certificate of authentication by the Trustee to be endorsed thereon for the Series 2013 Bonds are to be in substantially the form attached as Exhibit A hereto with all necessary and appropriate variations, omissions and insertions as permitted or required under this Supplemental Indenture;

WHEREAS, all acts, conditions and things required by the laws of the State to happen, exist and be performed precedent to and in the execution and delivery of this Supplemental Indenture have happened, exist and have been performed as so required in order to make this Supplemental Indenture a valid and binding agreement in accordance with its terms;

WHEREAS, the execution and delivery of this Supplemental Indenture have been duly authorized by the Authority and the Trustee; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Supplemental Indenture and the parties are now prepared to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Authority and the Trustee hereby covenant and agree as follows:

Section 1.1 Definitions. Except as provided in Section 1.2 below, capitalized terms not otherwise defined herein shall have the meanings assigned thereto in this Supplemental Indenture, the Original Indenture or in the Loan Agreement. In addition to words and terms elsewhere defined in this Supplemental Indenture, the following words and terms as used herein shall have the following meanings, unless some other meaning is plainly intended:

"*Act*" means, collectively, the LCDA Act and the Refunding Act.

"*Additional Bonds*" shall mean bonds issued on a parity with the Series 2004B Bonds and the Series 2013 Bonds in one or more series pursuant to Section 26 of the Facilities Lease and Article V of the Indenture.

"*Authority*" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Authority by said provisions shall be given by law.

"*Authorized Authority Representative*" means the person(s) at the time designated to act under the Loan Agreement and this Supplemental Indenture on behalf of the Authority by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Authority by the Chairman, Vice Chairman, Executive Director or Assistant Secretary of the Authority. Such certificate may designate an alternate or alternates.

"*Authorized Corporation Representative*" means the President or Secretary/Treasurer of the Corporation.

"*Authorized Denomination*" means \$5,000 or any integral multiple thereof.

"*Beneficial Owner*" means, so long as a book-entry system of registration is in effect pursuant to Section 3.13 hereof, the actual purchaser of the Series 2013 Bonds.

"*Board*" means the Board of Supervisors for the University of Louisiana System or its legal successor as the management board of the University, acting on behalf of the University, and on its own behalf.

"*Board Contribution*" means the funds deposited by the Board with the Trustee on or prior to the Closing Date.

"*Board Documents*" means the Ground Lease and the Facilities Lease, as they may be amended or supplemented from time to time.

"*Bond Documents*" means the Indenture, the Loan Agreement, the Facilities Lease, the Ground Lease and the Mortgage, as each may be amended or supplemented from time to time.

"*Bond Register*" means, when used with respect to the Series 2013 Bonds, the registration books maintained by the Trustee pursuant to Section 3.8 of this Supplemental Indenture.

"*Bonds*" means the Series 2004B Bonds, the Series 2013 Bonds and any Additional Bonds.

"Bondholder" or "owner" when used with reference to a Series 2013 Bond, means the registered owner of any Outstanding Series 2013 Bond.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"Closing Date" means the date on which the Series 2013 Bonds are delivered and payment therefor is received by the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"Corporation" means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

"Debt Service Reserve Fund Investment" means a surety bond, insurance policy or letter of credit meeting the requirements of Section 4.13(d) hereof.

"Defeasance Obligations" means noncallable direct obligations of the United States of America (including direct obligations of the United States of America that have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

"DTC" or "Securities Depository" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depositories appointed pursuant to this Supplemental Indenture.

"Escrow Deposit Agreement" means that certain Escrow Deposit Agreement dated as of November 1, 2013 by and between the Authority and the Escrow Trustee.

"Escrow Fund" means the Escrow Fund established by the Escrow Deposit Agreement to be held by the Escrow Trustee for the purpose of paying the Redemption Price of the Refunded Bonds.

"Escrow Trustee" means The Bank of New York Mellon Trust Company, N.A., in its capacity as escrow agent pursuant to the Escrow Deposit Agreement.

"Facilities" means the facilities and offices described in Exhibit A to the Loan Agreement, as amended and supplemented in accordance with the provisions of the Loan Agreement, that were designed, constructed, renovated and equipped with the proceeds of the Series 2004 Bonds, including all furnishings, fixtures and equipment incidental or necessary in connection therewith, on the campus of the University.

"Facilities Lease" means the Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, as further supplemented and amended by a Third Supplemental

Agreement to Lease with Option to Purchase dated as of November 1, 2013, each by and between the Corporation and the Board, including any additional supplements and amendments thereto and thereof.

"Fiscal Year" means any period of twelve consecutive months adopted by the Corporation as its Fiscal Year for financial reporting purposes, currently the period beginning on January 1 and ending on December 31 of each year.

"Fitch Ratings" means Fitch Ratings, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch ratings" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, with the consent of the Corporation.

"Ground Lease" means the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013, each by and between the Board, as lessor, and the Corporation, as lessee, whereby the Property is leased by the Board to the Corporation, and any amendment or supplement thereto entered into from time to time in accordance with the terms thereof.

"Indenture" means the Original Indenture as supplemented and amended by this Supplemental Indenture, as it may be further amended or supplemented from time to time by supplemental indentures or in accordance with the provisions of the Original Indenture.

"Interest Account" means the Interest Account within the Series 2013 Debt Service Fund created pursuant to Article IV of this Supplemental Indenture.

"Interest Payment Date" or "interest payment date" when used with respect to the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014.

"LCDA Act" means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33: 4548.1 to 4548.16, inclusive) and all future acts supplemental thereto and amendatory thereof.

"Loan" means the aggregate amount of moneys loaned to the Corporation pursuant to the Supplemental Loan Agreement.

"Loan Agreement" means, collectively, the Original Loan Agreement, as supplemented and amended by the Supplemental Loan Agreement.

"Management Agreement" means any Management Agreement or similar agreement, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

"Management Company" means any entity employed to manage the facilities under any Management Agreement.

"Management Fee" means, if any, the fee owed to the Management Company of the Facilities pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

"*Moody's*" means Moody's Investors Service, a Delaware corporation, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "*Moody's*" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority with the approval of the Corporation.

"*Mortgage*" means the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee.

"*Operating Expenses*" means the current expenses of operation, maintenance and current repair of the Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker's compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Supplemental Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Authority (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. "*Operating Expenses*" will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Facilities; or (4) amortization of financing costs.

"*Original Indenture*" means that certain Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee pursuant to which the Series 2004 Bonds were issued.

"*Original Loan Agreement*" means that certain Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation.

"*Outstanding*" or "*outstanding*," when used with reference to the Bonds, means all such bonds that have been authenticated and issued under the Indenture except those:

- (a) canceled by the Trustee pursuant to the Indenture;
- (b) for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of the Indenture;
- (c) that have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in the Indenture;
- (d) in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in the Indenture; and
- (e) for all purposes regarding consents and approvals or directions of Bondholders under the Loan Agreement or the Indenture, held by or for the Authority, the Corporation or any person controlling, controlled by or under common control with either of them.

"*Participant*" means any broker-dealer, bank and other financial institution from time to time for which DTC holds Series 2013 Bonds as securities depository.

"*Payments*" means the amounts of repayments under the Supplemental Loan Agreement with respect to the Series 2013 Bonds to be made by the Corporation as provided in Article IV of the Supplemental Loan Agreement.

"*Permitted Investments*" means the following securities:

To the extent permitted by State law, the following obligations may be used as permitted investments for all purposes, including defeasance investments in refunding escrow accounts:

- (a) Cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the next paragraph).
- (b) Direct obligations of (including obligations issued or held in book entry form on the books of the Department of Treasury) the United States of America. In the event these securities are used for defeasance, they shall be non-callable and non-prepayable.
- (c) Obligations of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America (in the event these securities are used for defeasance, they shall be non-callable and nonprepayable):
 - (i) U.S. Export-Import Bank (Eximbank);
 - (ii) Rural Economic Community Development Administration;
 - (iii) Federal Financing Bank;
 - (iv) U.S. Maritime Administration;
 - (v) U.S. Department of Housing and Urban Development (PHAs);
 - (vi) General Services Administration;
 - (vii) Small Business Administration;
 - (viii) Government National Mortgage Association (GNMA);
 - (ix) Federal Housing Administration; and
 - (x) Farm Credit System Financial Assistance Corporation.

To the extent permitted by law, the following obligations may be used as permitted investments for all purposes other than defeasance investments in refunding escrow accounts:

- (a) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

(i) Senior debt obligations rated in the highest long-term rating category by at least two nationally recognized rating agencies issued by Fannie Mae (FNMA) or Freddie Mac (FHLMC).

(ii) Senior debt obligations of the Federal Home Loan Bank System.

(iii) Senior debt obligations of other Government Sponsored Agencies.

(b) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which either (i) have a rating on their short-term certificates of deposit on the date of purchase in the highest short-term rating category of at least two nationally recognized rating agencies, (ii) are insured at all times by the Federal Deposit Insurance Corporation, or (iii) are collateralized with direct obligations of the United States of America at one hundred two percent (102%) valued daily. All such certificates must mature no more than three hundred sixty (360) days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank).

(c) Commercial paper which is rated at the time of purchase in the highest short-term rating category of at least two (2) nationally recognized rating agencies and which matures not more than two hundred seventy (270) days after the date of purchase.

(d) Investments in (i) money market funds subject to SEC Rule 2a-7 and rated in the highest short-term rating category of at least two nationally recognized rating agencies and (ii) public sector investment pools operated pursuant to SEC Rule 2a-7 in which the Authority's deposit shall not exceed 5% of the aggregate pool balance at any time and such pool is rated in one of the two highest short-term rating categories of at least two nationally recognized rating agencies.

(e) Pre-refunded municipal obligations defined as follows: (i) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and, a. which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest long-term rating category of at least two (2) nationally recognized rating agencies; or (ii) (A) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

(f) Bonds, debentures, notes, or other evidence of indebtedness issued by the state of Louisiana or any of its political subdivisions (other than the Authority); however:

(i) The indebtedness shall have a minimum investment grade rating of Baa3 or higher by Moody's, a rating of BBB- or higher by the S&P or a rating of BBB- or higher by Fitch, Inc.

(g) Bonds, debentures, notes, or other indebtedness issued by a state of the United States of America other than Louisiana or any such state's political subdivisions provided that all of the following conditions are met:

(i) The indebtedness has a minimum rating of A3 or higher by Moody's or a rating of A- or higher by S&P or a rating of A- or higher by Fitch, Inc.

(ii) Prior to purchase of any such indebtedness and at all times during which such indebtedness is owned, the Authority or the Corporation retains the services of an investment advisor registered with the United States Securities and Exchange Commission.

(h) Investment agreements supported by appropriate opinions of counsel.

(i) Other forms of investments (including repurchase agreements) supported by appropriate opinions of counsel.

The value of the above investments, other than cash, shall be determined as follows:

"Value", which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

(a) As to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) As to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) As to certificates of deposit and bankers acceptances, the face amount thereof, plus accrued interest; and

(d) As to any investment not specified above, the value thereof established by prior agreement among the Authority and the Trustee.

"Principal Account" means the Principal Account within the Series 2013 Debt Service Fund created pursuant to Article IV of this Supplemental Indenture.

"Property" means the immovable property more particularly described in Exhibit A attached to the Ground Lease and all Improvements now or thereafter located thereon, including the Facilities, together with all other rights and interests leased pursuant thereto.

"Receipts Fund" means the fund of that name held by the Trustee pursuant to Article IV of the Original Indenture.

"Record Date" means the fifteenth calendar day of the month next preceding an Interest Payment Date, or, if such day shall not be a Business Day, the next preceding Business Day.

"Redemption Date" means August 1, 2014, the date on which all Refunded Bonds will be redeemed.

B-7

“*Redemption Price*” means the amount necessary to pay the principal of and interest on the Refunded Bonds to the Redemption Date.

“*Refunded Bonds*” means the Series 2004A Bonds.

“*Refunding Act*” means Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456).

“*Replacement Fund*” shall mean the Replacement Fund held by the Trustee pursuant to the Indenture.

“*Series 2004 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2004 Bonds, and any successor thereto.

“*Series 2004 Bonds*” means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

“*Series 2004 Debt Service Fund*” means the Debt Service Fund created pursuant to the Original Indenture.

“*Series 2004 Debt Service Reserve Fund*” shall mean the Debt Service Reserve Fund held by the Trustee pursuant to the Original Indenture.

“*Series 2004A Bonds*” means the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A.

“*Series 2004B Bonds*” means the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B.

“*Series 2013 Bond Proceeds Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Bonds*” means the \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013, and such bonds issued in exchange for those issued pursuant to this Supplemental Indenture, or in replacement for those issued pursuant to this Supplemental Indenture, which bonds have been mutilated, destroyed, lost or stolen.

“*Series 2013 Costs of Issuance Account*” means the account of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Reserve Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Reserve Fund Requirement*” means one-half (1/2) of the least of (a) ten percent (10%) of the stated principal amount of the Series 2013 Bonds, (b) one hundred twenty-five percent

(125%) of the average Annual Debt Service on the Series 2013 Bonds from the date of calculation to the final maturity thereof or (c) the Maximum Annual Debt Service with respect to the Series 2013 Bonds.

“*Series 2013 Rebate Fund*” means the fund of that name created under Section 4.1 of this Second Supplemental Indenture.

“*S&P*” or “*Standard & Poor’s Ratings Group*” mean Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “*S&P*” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority with the approval of the Corporation.

“*State*” means the State of Louisiana.

“*Supplemental Indenture*” means this First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions hereof.

“*Supplemental Loan Agreement*” the First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof

“*Tax Regulatory Agreement*” means the Tax Regulatory Agreement and Arbitrage Certificate dated the Closing Date, among the Corporation, the Board, the Trustee and the Authority.

“*Trust Estate*” means all the property assigned by the Authority to the Trustee pursuant to the Indenture as security for the Bonds.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Supplemental Indenture that may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture, initially The Bank of New York Mellon Trust Company, N.A.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

Section 1.2 Rules of Construction. The following rules shall apply to the construction of this Supplemental Indenture unless the context requires otherwise: (a) the singular includes the plural and the plural, the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to “writing” include printing, photocopying, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation”; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Supplemental Indenture unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent that such amendments and other modifications are permitted or not prohibited by the terms of this Supplemental Indenture; (h) references to Persons include their respective successors and assigns permitted or not prohibited by the terms of this Supplemental Indenture; (i) an accounting term not otherwise defined has

the meaning assigned to it in accordance with generally accepted accounting principles; (j) "or" is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which have expired shall be of no force and effect after such termination, release or expiration; (m) references to mail shall be deemed to refer to first-class, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Baton Rouge, Louisiana time; (o) references to specific persons, positions or officers shall include those who or which succeed to or perform their respective functions, duties or responsibilities referred to in the Bond proceedings; (p) the terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Supplemental Indenture as a whole and not to any particular article, section or subdivision hereof; and the term "heretofore" means before the date of adoption of this Supplemental Indenture, the term "now" means at the date of adoption of this Supplemental Indenture, and the term "hereafter" means after the date of adoption of this Supplemental Indenture; and (q) references to payments of principal include any premium payable on the same date.

ARTICLE II GRANTING CLAUSES

Section 2.1 Granting Clauses. In consideration of the acceptance by the Trustee of the trusts and duties set forth in this Supplemental Indenture on behalf of the owners of all Series 2013 Bonds issued and secured hereunder; of the purchase and acceptance of the Series 2013 Bonds issued and secured by this Supplemental Indenture by the owners thereof; of the payment of the purchase price of the Series 2013 Bonds to the Trustee for application as provided hereinafter; and in order to secure the payment of any and all Series 2013 Bonds at any time Outstanding hereunder, according to the tenor and effect thereof and the premium and interest thereon, the payment of all costs, fees and charges specified herein, and the payment of all other sums if any, from time to time due to the owners of all Series 2013 Bonds secured hereunder and to the Trustee or its successors and assigns, or to others, according to the intent and meaning of all such Series 2013 Bonds and this Supplemental Indenture, up to a maximum principal amount of \$40,910,000, and for the purpose of securing the performance and observance by the Authority of all the covenants and conditions herein contained, the Authority does hereby TRANSFER, ASSIGN AND DELIVER TO AND IN FAVOR OF the Trustee, and its successor or successors in trust, for the benefit of the owners of all Series 2013 Bonds secured hereunder on a parity basis with the Series 2004 Bonds and any Additional Bonds, its interest in the following described properties, rights, interests and benefits, together with its leasehold interest in the immovable property subject to the Mortgage, which are collectively called the "*Trust Estate*" for purposes of the Indenture:

All right, title and interest of the Authority in, to and under the Loan Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), all payments, proceeds, revenues, income, receipts, issues, benefits and other moneys received or derived by the Authority under the Loan Agreement including, without limitation, the Payments to be paid by the Corporation to the Trustee for the account of the Authority pursuant to Section 4.2 of the Loan Agreement;

All right, title and interest of the Authority in, to and under the Ground Lease and the Facilities Lease assigned by the Corporation to the Authority under the Loan Agreement, including without limitation its right to receive Base Rental payable under the Facilities Lease, (except for payments of Additional Rental made under the Facilities Lease) and all proceeds of insurance received or receivable by the Corporation, on behalf of the Board, as a result of any damage to or destruction of the Facilities, or any part thereof, all amounts received or receivable by the Corporation, on behalf of the Board, as compensation for the taking or transfer of the Facilities, or any part thereof, in lieu of a taking or use of the Facilities, under the powers of eminent domain, but only to the extent that such proceeds, award or compensation is not used for the restoration, repair or reconstruction of the Facilities to which such proceeds, award or compensation is attributable, all amounts received or receivable by the Corporation, on behalf of the Board, from the sale of the Facilities, or any part

thereof, all amounts collected under payment and performance bonds, if any, maintained with respect to the Facilities, and any and all additional revenues, income, receipts and other payments (including, without limitation, grants, donations, gifts and appropriations received from any private or public source) that hereafter are received by the Corporation, on behalf of the Board, for or relating to the Facilities or that hereafter may be assigned by the Corporation pursuant to the Loan Agreement, which receipt shall not affect the tax-exempt status of the Series 2013 Bonds;

All cash, moneys, securities and investments that may at any time and from time to time, pursuant to the provisions of the Indenture, be paid to the Trustee or be in the hands of the Trustee, except for moneys in the Rebate Fund and except as the interest of said Trustee in such cash, moneys, securities and investments may otherwise appear in the Indenture, provided, however, that nothing in the Indenture shall be construed to affect any property held by the Trustee in any capacity other than as Trustee hereunder; and

To the extent not covered by the clauses above, all proceeds of any and all of the foregoing.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successor or successors and assigns forever; in trust, nevertheless subject to the terms and conditions and trusts herein set forth, for the equal benefit, security and protection of all and singular the present and future owners of all of the Series 2013 Bonds issued under and secured by this Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, except as may otherwise be provided herein, of any one Series 2013 Bond over any other Series 2013 Bond or of principal over interest or interest over principal, all as herein provided, and for the uses and purposes, and upon the terms, agreements and conditions set forth herein.

The Trust Estate assigned hereunder is also assigned to secure the payment of any and all sums which the Trustee may expend or become obligated to expend (including but not limited to court costs and attorneys' fees) to preserve and protect any of the Trust Estate or to cure any default of the Corporation under the Loan Agreement or arising out of any such default or incident of delay in payment of sums and the performance of obligations thereunder, or in pursuing or exercising any right, rights, remedy or remedies consequent upon the default of the Corporation thereunder.

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay, or cause to be paid, or provide for the payment pursuant to the provisions of this Supplemental Indenture, the principal of the Series 2013 Bonds, premium, if any, and the interest due or to become due thereon, at the times and in the manner set forth in the Series 2013 Bonds and this Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and agreements as provided in and pursuant to the terms of this Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such performance and payments this Supplemental Indenture and the rights created hereby shall cease, terminate and be void as provided in Article XII hereof; otherwise this Supplemental Indenture shall be and remain in full force and effect.

The Authority hereby covenants and agrees with, and does hereby covenant unto the Trustee, that it has good right and lawful authority to transfer and assign the Trust Estate (subject to the rights and liens previously granted to secure the Series 2004 Bonds) to the extent and in the manner herein provided; that the Authority will not suffer any lien or encumbrance to exist upon the Trust Estate, or any part thereof, superior to the security or lien to accrue or be created under this Supplemental Indenture; or do or suffer any act or thing whereby the security hereof may be diminished or impaired; and the Authority further does covenant, and by

these presents hereby covenants and agrees to defend or cause to be defended forever the title to each and every part of said Trust Estate against the claims and demands of all persons whomsoever.

| | | |
|------|-----------|--------|
| 2024 | 305,000 | 3.500% |
| 2024 | 1,500,000 | 4.500% |
| 2024 | 2,300,000 | 5.000% |
| 2026 | 4,465,000 | 4.000% |

THIS SUPPLEMENTAL INDENTURE FURTHER WITNESSETH and it is expressly declared that all Series 2013 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of said Trust Estate hereby conveyed, transferred, assigned, confirmed, pledged and encumbered is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant with the Trustee and with the respective owners, from time to time, of the Series 2013 Bonds, or any part thereof as follows:

(c) The principal of, and premium, if any, of the Series 2013 Bonds shall be payable to the registered owners thereof upon surrender of the Series 2013 Bonds at the principal corporate trust office of the Trustee. The interest on the Series 2013 Bonds, when due and payable, shall be paid by check or draft mailed by the Trustee on such due date to each person in whose name a Bond is registered, at the address(es) as they appear on the Bond Register maintained by the Trustee at the close of business on the applicable Record Date irrespective of any transfer or exchange of the Series 2013 Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Authority shall default in payment of interest due on such Interest Payment Date, provided that the owners of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owners have requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of any such default, such defaulted interest shall be payable on a payment date established by the Trustee to the persons in whose names the Series 2013 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owners of the Series 2013 Bonds not fewer than fifteen (15) days preceding such special record date. Payment as aforesaid shall be made in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

ARTICLE III

AUTHORIZATION, TERMS AND CONDITIONS OF SERIES 2013 BONDS

Section 3.1 Series 2013 Bonds Issuable Under this Article Only. No Series 2013 Bonds may be issued under the provisions of this Supplemental Indenture except in accordance with the provisions of this Article.

Section 3.2 Authorization of Series 2013 Bonds.

(a) There is hereby authorized and issued under this Supplemental Indenture \$40,910,000 aggregate principal amount of bonds to be known as "Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013" on a parity with the Series 2004B Bonds, and any Additional Bonds issued in various series from time to time, for the purpose of (i) refunding the Refunded Bonds and (ii) paying the costs of issuance of the Series 2013 Bonds.

(b) The Series 2013 Bonds are issuable as fully registered bonds, without coupons, in Authorized Denominations and shall be numbered from No. R-1 upwards. The Series 2013 Bonds shall be dated the date of delivery, shall mature (subject to prior redemption as hereinafter set forth) on August 1 of the years and in the principal amounts and shall bear interest from the date thereof, payable on February 1 and August 1 of each year, commencing February 1, 2014, at the rates per annum (using a year of 360 days comprised of twelve 30-day months) as follows:

| Date (August 1) | Principal Amount | Interest Rate |
|--------------------|---------------------|------------------|
| 2014 | \$1,985,000 | 2.000% |
| 2014 | 700,000 | 3.000% |
| 2015 | 2,750,000 | 3.000% |
| 2016 | 2,855,000 | 4.000% |
| 2017 | 2,970,000 | 4.000% |
| 2018 | 3,105,000 | 5.000% |
| 2019 | 3,265,000 | 5.000% |
| 2020 | 3,415,000 | 5.000% |
| 2021 | 3,585,000 | 5.000% |
| 2022 | 3,775,000 | 5.000% |
| 2023 | 2,045,000 | 3.250% |
| 2023 | 1,890,000 | 5.000% |

Section 3.3 Form of Series 2013 Bonds. The Series 2013 Bonds issued under this Supplemental Indenture shall be substantially in the form set forth in Exhibit A attached hereto and made a part hereof with such appropriate variations, additions, omissions and insertions as are permitted or required by this Supplemental Indenture. All Series 2013 Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Series 2013 Bonds may be listed or any usage or requirement of law with respect thereto. All Series 2013 Bonds may bear identifying CUSIP numbers, but any failure to include such numbers or any error in any CUSIP number so included shall not in any way affect the validity of the Series 2013 Bonds.

Section 3.4 Redemption of Series 2013 Bonds.

(a) Optional Redemption. The Series 2013 Bonds maturing August 1, 2024 and thereafter are subject to redemption prior to maturity at the option of the Corporation, upon written direction to the Authority, on or after August 1, 2023 as a whole at any time, or in part on any Interest Payment Date, the maturity of said Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(b) Extraordinary Redemption. The Series 2013 Bonds shall be redeemed as a whole or in part (in an integral multiple of \$5,000) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds, condemnation award or payment in lieu of condemnation with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, in an aggregate principal amount equal to the amount of such insurance

B-10

proceeds, condemnation award or payment in lieu of condemnation not used for restoration, repair or reconstruction. If in part, the Series 2013 Bonds to be redeemed shall be in the inverse order of their maturity and selected within a maturity by the Trustee in such manner as the Trustee may determine. If the amount of any insurance proceeds, condemnation award or payment in lieu of condemnation to be applied in redemption of the Series 2013 Bonds is not an integral multiple of \$5,000, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subparagraph (b) shall be decreased to the next lower multiple of \$5,000.

(c) Mandatory Sinking Fund Redemption. Those Bonds maturing on August 1, 2026 shall be subject to mandatory redemption and payment prior to maturity on August 1 in each of the years set forth below, at 100% of the principal amounts plus accrued interest to the redemption date, without premium, as follows:

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
| 2025 | \$ 4,295,000 |
| 2026* | 170,000 |

*Final Maturity

(d) Any Additional Bonds issued under the provisions of Article V of this Supplemental Indenture may be made subject to redemption, either in whole or in part and at such times and prices, as may be provided in the resolution or resolutions of the Authority authorizing the issuance of such Additional Bonds.

(c) Unless otherwise specified above, if fewer than all of the Series 2013 Bonds shall be called for redemption, the Series 2013 Bonds to be redeemed shall be in inverse order of their maturity, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

(f) At least thirty (30) days before the redemption date of any Series 2013 Bonds, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if fewer than all of the Series 2013 Bonds then Outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

(g) On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided and money for payment of the redemption price being held in the Series 2013 Debt Service Fund in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, the Series 2013 Bonds or portions of Series 2013 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2013 Bonds or portions of

Series 2013 Bonds on such date, interest on the Series 2013 Bonds or portions of Series 2013 Bonds so called for redemption shall cease to accrue, such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to be entitled to any benefit or security under this Supplemental Indenture, and the owners of such Series 2013 Bonds or portions of Series 2013 Bonds shall not have rights in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the next paragraph, to receive Series 2013 Bonds for any unredeemed portions of Series 2013 Bonds.

(h) In case part, but not all, of an Outstanding Series 2013 Bond shall be selected for redemption, the registered owner thereof or his legal representative shall present and surrender such Series 2013 Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Trustee shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2013 Bond so surrendered, a new Series 2013 Bond.

(i) Series 2013 Bonds and portions of Series 2013 Bonds that have been duly called for redemption under the provisions of this Article, or with respect to which irrevocable instructions to call for redemption have been given to the Trustee in form satisfactory to it, and for the payment of the redemption price for which moneys, or Defeasance Obligations, shall be held by the Trustee in a segregated account in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, shall not thereafter be deemed to be outstanding under the provisions of this Supplemental Indenture and shall cease to be entitled to any security or benefit under this Supplemental Indenture other than the right to receive payment from such moneys.

Section 3.5 Execution; Limitation of Liability. The Series 2013 Bonds shall be executed on behalf of the Authority with the manual or facsimile signatures of the Chairman, Vice Chairman or Executive Director and the Secretary or Assistant Secretary of the Authority, and shall have impressed or imprinted thereon the official seal of the Authority or a facsimile thereof. The Series 2013 Bonds, together with interest and premium, if any, thereon, shall not constitute a debt of the State or any political subdivision thereof. The Series 2013 Bonds, together with interest thereon, shall be limited and special obligations of the Authority and shall be secured by and payable solely out of revenues derived from the Payments made pursuant to the Loan Agreement and Trust Estate pledged hereunder. The Authority shall not be obligated to pay the principal of the Series 2013 Bonds or the interest or premium, if any, thereon or other costs incidental thereto except from payments made pursuant to the Loan Agreement. In case any officer of the Authority whose signature or whose facsimile signature shall appear on the Series 2013 Bonds shall cease to be such officer before the delivery of such Series 2013 Bonds, such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE A PLEDGE OF THE GENERAL CREDIT OF THE AUTHORITY OR THE CORPORATION AND DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY, OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS TO BE RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

B-11

Section 3.6 Authentication. No Series 2013 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Supplemental Indenture unless and until a certificate of authentication substantially in the form set forth in Exhibit A attached hereto and made a part hereof shall have been duly executed by a duly authorized representative of the Trustee, and such executed certificate of the Trustee upon any such Series 2013 Bond shall be conclusive evidence that such Series 2013 Bond has been authenticated and delivered under this Supplemental Indenture. The Trustee's certificate of authentication on any Series 2013 Bond shall be deemed to have been executed by it if signed by an authorized representative of the Trustee, but it shall not be necessary that the same representative sign the certificate of authentication on all of the Series 2013 Bonds issued hereunder.

Section 3.7 Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds. In the event any outstanding Series 2013 Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Authority may execute and, upon its request, the Trustee may authenticate a new Series 2013 Bond of the same principal amount and of like tenor as the mutilated, lost or stolen or destroyed Series 2013 Bond; provided that, in the case of any mutilated Series 2013 Bond, such mutilated Series 2013 Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Series 2013 Bond, there shall be first furnished to the Authority and the Trustee evidence of such loss, theft or destruction in form satisfactory to the Authority and the Trustee, together with indemnity satisfactory to them. In the event any such Series 2013 Bond shall have matured, instead of issuing a substitute Series 2013 Bond the Authority may authorize the payment of the same. The Authority and the Trustee may charge the owner of such Series 2013 Bond with their reasonable fees and expenses in this connection. Any Series 2013 Bond issued under the provisions of this Section 3.7 in lieu of any Series 2013 Bond alleged to be destroyed, lost or stolen shall constitute an original additional contractual obligation on the part of the Authority, whether or not the Series 2013 Bond so alleged to be destroyed, lost or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Supplemental Indenture together with all other Series 2013 Bonds in substitution for which such Series 2013 Bonds were issued.

Section 3.8 Registration of Series 2013 Bonds.

(a) The Trustee shall be the bond registrar for the Series 2013 Bonds. So long as any of the Series 2013 Bonds shall remain outstanding, there shall be maintained and kept for the Authority, at the principal corporate trust office of the Trustee, the Bond Register for the registration and transfer of the Series 2013 Bonds and, upon presentation thereof for such purpose at said office, the Trustee shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Series 2013 Bond.

(b) Each Series 2013 Bond shall be transferable only upon the Bond Register at the principal corporate trust office of the Trustee at the written request of the registered owner thereof or his legal representative duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his legal representative duly authorized in writing. Upon the transfer of any such Series 2013 Bond, the Trustee shall issue in the name of the transferee, in authorized denominations, one or more Series 2013 Bonds of the same aggregate principal amount as the surrendered Series 2013 Bonds.

Section 3.9 Persons Treated as Owners.

(a) The Authority and the Trustee may, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on any Series 2013 Bond and for all other purposes,

deem and treat the person in whose name such Series 2013 Bond shall be registered upon the Bond Register as the absolute owner of such Series 2013 Bond, whether or not such Series 2013 Bond is overdue, and neither the Authority nor the Trustee shall be affected by any notice to the contrary.

(b) Payment made to the person deemed to be the owner of any Series 2013 Bond for the purpose of such payment in accordance with the provisions of this Section 3.9 shall be valid and effectual, to the extent of the sum or sums so paid, to satisfy and discharge the liability upon such Series 2013 Bond in respect of which such payment was made.

Section 3.10 Exchange and Transfer of Series 2013 Bonds. As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Series 2013 Bonds in Authorized Denominations.

(b) For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(c) The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

Section 3.11 Cancellation and Destruction of Surrendered Series 2013 Bonds. Upon the surrender to the Trustee of any temporary or mutilated Series 2013 Bonds, or Series 2013 Bonds transferred or exchanged for other Series 2013 Bonds, or Series 2013 Bonds paid at maturity by the Authority, the same shall forthwith be canceled and destroyed by the Trustee, and the Trustee, upon the request of the Authority, shall deliver its certificate of such destruction to the Authority.

Section 3.12 Delivery of the Series 2013 Bonds.

(a) Upon the execution and delivery of this Supplemental Indenture, the Authority shall execute and deliver to the Trustee, and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof as shall be directed by the Authority as hereinafter in this Section provided. The Authority shall execute and deliver to the Trustee and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof as shall be directed by the Authority as hereinafter in this Section provided.

(b) Prior to or simultaneously with the delivery by the Trustee of the Series 2013 Bonds there shall be filed with the Trustee:

(i) A copy, duly certified by the Secretary, Executive Director or an Assistant Secretary of the Authority, of the resolution or resolutions adopted by the Authority authorizing the execution and delivery of this Supplemental Indenture and the Loan Agreement, as amended, and all other instruments contemplated thereby and the authorization, issuance, sale and delivery of the Series 2013 Bonds;

(ii) A copy, duly certified by an Authorized Corporation Representative, of the resolution or resolutions of the Corporation authorizing the execution and delivery of the Loan Agreement, and all other instruments contemplated thereby and approving this Supplemental Indenture and the authorization, issuance, sale and delivery of the Series 2013 Bonds;

(iii) Original executed counterparts of this Supplemental Indenture, the Supplemental Loan Agreement, the Facilities Lease and the Ground Lease;

(iv) Signed copies of all opinions of counsel required in connection with the issuance of the Series 2013 Bonds and the transactions contemplated thereby;

(v) A request and authorization to the Trustee on behalf of the Authority and signed by its Chairman, Vice Chairman, Executive Director, Secretary or an Assistant Secretary to authenticate and deliver the Series 2013 Bonds to the purchasers thereof and specifying the amounts to be deposited in the Series 2013 Cost of Issuance Account, the Replacement Fund, the Series 2013 Debt Service Reserve Fund and the Escrow Fund hereunder; and

(vi) A signed copy of the legal opinion of Jones Walker LLP, addressed to the Trustee, to the effect that (i) the Series 2013 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and this Supplemental Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (ii) authorizing the Trustee to rely upon Bond Counsel's approving opinion as if it were addressed to the Trustee.

(c) The Authority hereby authorizes and directs the Trustee to execute and deliver the Tax Regulatory Agreement dated the Closing Date, among the Authority, the Board, the Trustee and the Corporation.

Section 3.13 Book-Entry Registration of Series 2013 Bonds.

(a) The Series 2013 Bonds shall be initially issued in the name of Cede & Co., as nominee for DTC, as registered owner of the Series 2013 Bonds, and held in the custody of DTC (or the Trustee as the agent of DTC under the F.A.S.T. delivery system). The Authority and the Trustee acknowledge that the Authority has executed and delivered a Blanket Letter of Representations with DTC and that the terms and provisions of said Letter of Representations shall govern in the event of any inconsistency between the provisions of this Supplemental Indenture and said Letter of Representations. A single bond certificate for each maturity of Series 2013 Bonds will be issued and delivered to DTC. The Beneficial Owners will not receive physical delivery of Series 2013 Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Series 2013 Bond acquired. For so long as DTC shall continue to serve as securities depository for the Series 2013 Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Series 2013 Bonds is to receive, hold or deliver any Bond certificate.

(b) For every transfer and exchange of the Series 2013 Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

(c) The Authority, the Corporation and the Trustee will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

(d) Neither the Authority, the Trustee, the Corporation nor the Board is responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy in lieu of consent.

(e) Whenever during the term of the Series 2013 Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Supplemental Indenture of holding, delivering or transferring Series 2013 Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

(f) DTC may determine to discontinue providing its services with respect to the Series 2013 Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law.

(g) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2013 Bonds if the Authority determines that (i) DTC is unable to discharge its responsibilities with respect to the Series 2013 Bonds, or (ii) a continuation of the requirement that all of the outstanding Series 2013 Bonds be registered on the registration books kept by the Trustee in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Series 2013 Bonds.

(h) Upon the termination of the services of DTC with respect to the Series 2013 Bonds pursuant to the above two paragraphs, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority is willing and able to undertake such functions upon reasonable and customary terms, the Authority is obligated to deliver Series 2013 Bonds to the owner, at the expense of the said owner as described in this Supplemental Indenture, and the Series 2013 Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names holders transferring or exchanging Series 2013 Bonds shall designate in accordance with the provisions of this Supplemental Indenture.

(i) Notwithstanding any other provision of this Supplemental Indenture to the contrary, so long as any Series 2013 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Series 2013 Bond and all notices with respect to such Series 2013 Bond shall be made and given, respectively, in the manner provided in the Blanket Letter of Representations of the Authority dated November 17, 1998 and delivered to DTC.

(j) If at any time DTC ceases to hold the Series 2013 Bonds, all references herein to DTC shall be of no further force or effect.

ARTICLE IV
FUNDS AND ACCOUNTS; FLOW OF FUNDS;
INVESTMENTS; DEPOSITS; ARBITRAGE

Section 4.1 Creation and Use of Funds and Accounts. On or prior to the Closing Date, in addition to the funds and accounts created pursuant to the Original Indenture, the following special trust funds and accounts (except as qualified in this Section 4.1) shall be established and maintained with the Trustee so long as any Series 2013 Bonds issued under this Supplemental Indenture are outstanding:

- (a) Series 2013 Bond Escrow Fund and a Series 2013 Costs of Issuance Account therein;
- (b) Series 2013 Debt Service Fund, and the following accounts therein:
 - (i) Interest Account;
 - (ii) Principal Account;
- (c) Series 2013 Debt Service Reserve Fund; and
- (d) Series 2013 Rebate Fund.

Section 4.2 Series 2013 Bond Proceeds Fund.

(a) On or prior to the Closing Date, the Series 2013 Bond Escrow Fund shall be used to receive the proceeds of the Series 2013 Bonds, a transfer from the Series 2004 Debt Service Reserve Fund, the Series 2004 Debt Service Fund, and the Series 2004 Project Fund held by the Trustee, and the Board Contribution. Any funds received prior the Closing Date may be held uninvested. On the Closing Date, the Trustee shall disburse amounts held in the Series 2013 Bond Proceeds Fund as follows:

- (i) to retain such sum in the Series 2013 Costs of Issuance Account as may be specified in the request and authorization delivered pursuant to Section 3.12 hereof;
- (ii) to transfer to the Series 2013 Debt Service Reserve Fund an amount equal to the Series 2013 Debt Service Reserve Fund Requirement; and
- (iii) to transfer to the Escrow Trustee for deposit to the Escrow Fund the balance of the proceeds of the Series 2013 Bonds, the Series 2004 Debt Service Reserve Fund, the Series 2004 Debt Service Fund, the Series 2004 Project Fund, and the Board Contribution.

(b) Amounts deposited on the Closing Date into the Series 2013 Costs of Issuance Account of the Series 2013 Bond Proceeds Fund shall be disbursed, pursuant to the written instructions of the Authority, to pay Costs of Issuance. The Trustee is authorized and directed to pay such Costs of Issuance in accordance with the payment instructions set forth in the respective invoices submitted to the Trustee for payment pursuant to such written instructions of the Authority. Any amounts remaining in the Series 2013 Costs of Issuance Account 180 days after delivery of the Series 2013 Bonds (and not specifically committed to pay additional Costs of Issuance) shall be deposited into the Interest Account of the Series 2013 Debt Service Fund.

Section 4.3 Series 2013 Debt Service Fund. The Trustee shall deposit into the applicable account of the Series 2013 Debt Service Fund the amounts required by Section 4.6 of this Supplemental Indenture.

(a) Moneys on deposit in the Interest Account of the Series 2013 Debt Service Fund shall be used solely to pay the interest on the Series 2013 Bonds as it becomes due and payable, whether on an Interest Payment Date, at maturity or upon acceleration.

(b) Moneys on deposit in the Principal Account of the Series 2013 Debt Service Fund shall be used solely to pay the principal of the Series 2013 Bonds as it becomes due and payable, whether at maturity, prior redemption or upon scheduled sinking fund redemption; and, if funds are available for such purpose and at the written direction of the Authority, to effect the redemption of the Series 2013 Bonds prior to their maturity in accordance with the redemption provisions hereof or the purchase of Series 2013 Bonds prior to their maturity in the open market at a price not in excess of the then applicable redemption price (the principal amount thereof, premium, if any, plus accrued interest).

(c) Whenever and to the extent that money on deposit in the Interest Account or the Principal Account is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, the Trustee shall transfer money from the Surplus Fund, the Replacement Fund and the Debt Service Reserve Fund, in that order.

Section 4.4 Replacement Fund. The Replacement Fund shall be maintained with the Trustee and used to fund the cost of replacing any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, fixtures or equipment placed upon or used in connection with the Facilities. Moneys in the Replacement Fund will also be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts, together with money available therefor in the Surplus Fund, is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Section 4.5 Series 2013 Rebate Fund. Moneys deposited and held in the Series 2013 Rebate Fund shall be used to make all rebate payments owed to the United States under the Code, and shall not be subject to the pledge of this Supplemental Indenture. The Corporation shall make the calculation(s) required by the Code and the Tax Regulatory Agreement and Arbitrage Certificate and shall direct the Trustee to make deposits to and make disbursements from the Series 2013 Rebate Fund that the Corporation determines are in accordance therewith. The Tax Regulatory Agreement and any provisions of this Supplemental Indenture governing deposits to the Series 2013 Rebate Fund may be superseded or amended by the Corporation (except the requirement of annual calculations and deposits to the Series 2013 Rebate Fund, if required) if accompanied by an opinion of Bond Counsel addressed to the Corporation and the Trustee to the effect that the use of the new Tax Regulatory Agreement will not cause the interest on the Series 2013 Bonds to become includable in gross income of the recipient thereof for federal tax purposes.

Section 4.6 Receipts Fund. There shall be deposited into the Receipts Fund all funds received from or paid on behalf of the Board under the Facilities Lease, including: (i) daily, all rents, charges and other amounts, held in the deposit account maintained by the Management Company pursuant any Management Agreement; and (ii) all Lawfully Available Funds from the Board used to make Base Rental Payments pursuant to the Facilities Lease. The Trustee will transfer the amount so deposited in the Receipts Fund to the Series 2004 Debt Service Fund and the Series 2013 Debt Service Fund without distinction or priority. Moneys on

B-14

deposit in the Receipts Fund will be withdrawn by the Trustee in accordance with the requirements of the Original Indenture and this Supplemental Indenture and ratably on a parity therewith and applied in the following priority:

(a) At such time as may be required by the Tax Regulatory Agreement but not less often than annually, to the Rebate Fund and the Series 2013 Rebate Fund the amount required to be deposited thereunder;

(b) On the twenty-fifth (25th) day of each month, beginning on the twenty-fifth (25th) day of the month following the effective date of any Management Agreement, to the Operating Fund (as defined in the Management Agreement) maintained by the Management Company, an amount necessary to make the amount in the Operating Fund equal to the Operating Expenses for the next month as shown on the Operating Budget (as defined in the Management Agreement) for such month, as certified by the Management Company;

(c) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on February 1, 2014 and thereafter, on the 25th day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on the next February 1 and August 1 or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds and Series 2013 Bonds on such Interest Payment Date;

(d) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at an Auction Rate on such Interest Payment Date;

(e) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at a Variable Rate on such Interest Payment Date;

(f) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Principal Account of the Series 2004 Debt Service Fund and the Principal Account of the Series 2013 Debt Service Fund an amount equal to one-ninth (1/9th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the 25th day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on the next Principal Payment Date;

(g) On the twenty-fifth (25th) day of the month, any amounts due to the Series 2004 Bond Insurer under the Reimbursement Agreement;

(h) On the twenty-fifth (25th) day of each month following any drawing on the Debt Service Reserve Fund in accordance with Section 4.21 of the Original Indenture or any drawing on the Series 2013 Debt Service Reserve Fund in accordance with Section 4.13 hereof, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement for the Series 2004B Bonds and the Series 2013 Debt Service Reserve Fund to equal the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds within twelve (12) months or (ii) the excess of the Debt Service Reserve Fund Requirement for the Series 2004 Bonds or the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds over the amount on deposit in the Debt Service Reserve Fund or the Series 2013 Debt Service Reserve Fund;

(i) Annually, beginning August 1, 2014, an amount equal to \$122,987.38 into the Replacement Fund, with such amount increased each year, beginning August 1, 2015 at a rate of 3% annually; or such lesser annual amount as is permitted by the Board of Regents and approved by the Series 2004 Bond Insurer; in each case, as set forth in writing delivered in advance thereof to the Trustee; and, in the event that any funds shall have been withdrawn from the Replacement Fund to cure any deficiency in the Interest Account or the Principal Account of the Series 2004 Debt Service Fund or the Interest Account or the Principal Account of the Series 2013 Debt Service Fund pursuant to Section 4.3(c) hereof, the amount of such withdrawal;

(j) On the twenty-fifth (25th) day of each month, commencing the month following the effective date of any Management Agreement, an amount equal to the monthly Management Fee for the current Fiscal Year plus any Management Fee for any prior month that remains unpaid;

(k) Annually on August 1 of each year beginning August 1, 2014 any amounts remaining in the Receipts Fund after making all transfers required to be made on such date under Section 4.6(a) through (j) hereof shall be transferred to the Surplus Fund and applied as set forth in Section 4.25 of the Original Indenture.

After a Variable Rate Conversion of the Series 2004B Bonds, payments will be made from the Receipts Fund to the Series 2004 Debt Service Fund in accordance with the supplemental indenture executed in connection with such Variable Rate Conversion.

Section 4.7 Series 2013 Debt Service Reserve Fund. Moneys on deposit in the Series 2013 Debt Service Reserve Fund shall be maintained in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement, and shall be transferred, in accordance with the priority set out in Section 4.3(c) above, to the Interest Account or the Principal Account of the Series 2013 Debt Service Fund in such amount as shall be necessary to remedy any deficiency therein (taking into account any amounts available therefor in the Surplus Fund and the Replacement Fund). Whenever the amount in the Series 2013 Debt Service Reserve Fund, together with the amount in the Series 2013 Debt Service Fund, is sufficient to pay in full all outstanding Series 2013 Bonds in accordance with their terms, the funds on deposit in the Series 2013 Debt Service Reserve Fund shall be transferred to the Series 2013 Debt Service Fund and shall be available to pay all outstanding Series 2013 Bonds in accordance with their terms. If the balance of the Series 2013 Debt Service Reserve Fund is greater than the Series 2013 Debt Service Reserve Fund Requirement, all amounts in the Series 2013 Debt Service Reserve Fund in excess of the Series 2013 Debt Service Reserve Fund Requirement shall be transferred to the Interest Account of the Series 2013 Debt Service Fund. In no event shall moneys in the Series

B-15

2013 Debt Service Reserve Fund be used to make payments of principal or interest on the Series 2004B Bonds and in no event shall the moneys in the Series 2004 Debt Service Reserve Fund be used to make payments of principal and interest on the Series 2013 Bonds.

Section 4.8 Surplus Fund. The Surplus Fund will continue to be maintained with the Trustee. Upon satisfaction of certain performance covenants contained in the Indenture, funds on deposit in the Surplus Fund at the end of any Fiscal Year will be transferred to the University. Until such transfer, moneys in the Surplus Fund will be available to be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Section 4.9 Investments. Moneys contained in the funds and accounts held by the Trustee under Section 4.1 of this Supplemental Indenture shall be continuously invested and reinvested by the Trustee at the direction of the Corporation in Permitted Investments, to the extent practicable, that shall mature (or be readily convertible to cash) not later than the respective dates, as estimated by the Corporation, when the moneys in said Funds and Accounts shall be required for the purposes intended, and:

(i) No such investment shall be required to be made unless the cash at the time available therefor is at least equal to \$1,000;

(ii) The Trustee shall be authorized, to the extent necessary to enable the Trustee to discharge or perform its obligations hereunder, at any one or more times to sell any part or all of the investments whenever it may, for any reason or purpose whatsoever, deem any such sale to be desirable;

(iii) Any income derived from and any profit or loss on any such investment of moneys on deposit in any such fund or account shall be credited or debited, as the case may be, to the respective fund or account in which earned;

(iv) No Permitted Investments in any fund or account may mature beyond the latest maturity date of any Series 2013 Bonds outstanding at the time such Permitted Investments are deposited. For the purposes of this section, the maturity date of repurchase agreements for obligations is the maturity date of such repurchase agreements and not the maturity date of the underlying obligation; and

(b) An Authorized Corporation Representative shall give to the Trustee directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Article and Article V of the Loan Agreement, and the Trustee shall then invest such money under this Section as so directed. The Trustee shall in no event have any liability for any loss resulting from the investment of moneys in accordance with the directions of the Authorized Corporation Representative. The Trustee shall furnish the Authority annually with a written copy and the Corporation with a written copy for the Board, on at least a monthly basis, of the types, amounts, yield and maturities of all such investments.

(c) All cash investments shall be valued by the Trustee as frequently as deemed necessary by the Trustee, but not less often than annually, at the market value thereof. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date.

Section 4.10 Depository of Moneys and Security for Deposits. All of the funds and accounts established hereunder (except for the Series 2013 Rebate Fund) shall be special trust accounts held by the Trustee in trust for the benefit of the owners of the Series 2013 Bonds and shall not be subject to lien or attachment by any creditors of the Trustee, the Authority, the Corporation, or the Board. Uninvested sums in these funds and accounts shall be continually secured as are deposits of uninvested sinking funds of political subdivisions of the State or in the manner prescribed by Federal law for securing any Federal trust funds as may be prescribed from time to time by the Comptroller of the Currency.

Section 4.11 Arbitrage. Notwithstanding all the provisions hereof, the Authority or the Corporation shall not direct the investment of moneys in the various funds and accounts created hereunder in a manner that would result in the loss of exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes or in such manner which would result in the Series 2013 Bonds becoming "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 4.12 Amounts Remaining in Funds; Releases. It is agreed by the parties hereto that any amounts remaining in the Funds and Accounts existing pursuant to this Supplemental Indenture upon the expiration or sooner cancellation or termination of the Loan Agreement, as provided therein, after payment in full of all Series 2013 Bonds then outstanding under this Supplemental Indenture (or provisions for the payment thereof having been made in accordance with Article XII of this Supplemental Indenture), and the fees, charges and expenses of the Authority and the Trustee and all other amounts required to be paid under the Loan Agreement and under this Supplemental Indenture, other than amounts payable as arbitrage rebate under Section 148(f) of the Code, shall belong to and be paid to the Board.

Section 4.13 Application of Moneys in the Series 2013 Debt Service Reserve Fund.

(a) The Series 2013 Debt Service Reserve Fund shall be funded on the date of delivery of the Series 2013 Bonds in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement.

(b) The Trustee shall transfer money from the Series 2013 Debt Service Reserve Fund to the Interest Account and the Principal Account of the Series 2013 Debt Service Fund to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, whenever and to the extent that the money on deposit in said accounts (together with any amounts available therefor in the Surplus Fund and the Replacement Fund) is insufficient for such purposes.

(c) If the money held in the Series 2013 Debt Service Reserve Fund, including interest earnings, exceeds the Series 2013 Debt Service Reserve Fund Requirement an amount equal to such excess shall be transferred by the Trustee to the Interest Account of the Series 2013 Debt Service Fund. The Trustee shall not be required to liquidate any investment before its maturity to make such transfer. Whenever the amount on deposit in the Series 2013 Debt Service Reserve Fund is less than the Series 2013 Debt Service Reserve Fund Requirement, the Trustee shall notify the Authority and the Corporation of the amount of such deficiency and such deficiency will be remedied, as provided in Section 4.6(h) hereof. Upon notification the Corporation shall deliver to the Trustee an amount sufficient to cure the deficiency in accordance herewith and the Agreement.

(d) The Authority may, at the direction of the Corporation, as advised by the Board, at any time, deposit with the Trustee, to replace cash in the Series 2013 Debt Service Reserve Fund (in which case the replaced cash shall be paid to the University) or to meet the requirements herein that it deposit additional

amounts in the Series 2013 Debt Service Reserve Fund, a Debt Service Reserve Fund Investment. Any bank issuing a letter of credit must have a rating on its unsecured debt, or on debt secured by its letters of credit and which ratings are based solely on the bank's letter of credit, of "AA-" or better by S&P and "Aa3" or better by Moody's. Any insurance company issuing a surety bond must have a claims-paying ability rating of "AAA" by S&P and "Aaa" by Moody's. If such Debt Service Reserve Fund Investment expires prior to fifteen (15) days after the final maturity of the Series 2013 Bonds, it must provide, that if not renewed within fifteen (15) days prior to its expiration date in an amount equal to the undrawn amount thereof (other than because of a reduction in the Series 2013 Debt Service Reserve Fund Requirement or the deposit of cash in the Series 2013 Debt Service Reserve Fund to replace it), the Trustee may draw the full amount of such Series 2013 Debt Service Reserve Fund Investment. The Trustee shall draw down the full amount of such Debt Service Reserve Fund Investment and deposit such amount in the Series 2013 Debt Service Reserve Fund fifteen (15) days prior to expiration of such Debt Service Reserve Fund Investment if it is not renewed as provided for in the preceding sentence. The Debt Service Reserve Fund Investment must be able to be drawn upon at any time that cash could be withdrawn from the Series 2013 Debt Service Reserve Fund. Prior to accepting any such Debt Service Reserve Fund Investment, the Trustee, the Corporation, the Board and the Authority must receive a Bond Counsel opinion that such acceptance and any payment of funds in the Debt Service Reserve Fund to the Corporation is authorized by this Indenture and will not adversely affect the exclusion of interest on the Series 2013 Bonds. If a Debt Service Reserve Fund Investment is deposited in the Series 2013 Debt Service Reserve Fund in lieu of cash, the cash amount contained in the Series 2013 Debt Service Reserve Fund shall be transferred to the Replacement Fund.

(e) If a disbursement is made under a surety bond deposited in the Series 2013 Debt Service Reserve Fund, the Corporation shall be obligated to either reinstate the maximum limits of such surety bond immediately following such disbursement in twelve (12) equal monthly installments or as required by the Authority of the Debt Service Reserve Fund Investment in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement or deposit into the Series 2013 Debt Service Reserve Fund funds in the amount of the disbursement made under the Debt Service Reserve Fund Investment, or a combination of such alternatives as shall equal the Series 2013 Debt Service Reserve Fund Requirement.

Section 4.14 Application of Insurance Proceeds; Condemnation Award.

(a) If all or any portion of the Facilities is damaged or destroyed by a Casualty (as defined in the Facilities Lease), or is taken by Expropriation (as defined in the Facilities Lease) proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. The proceeds of any insurance, including the proceeds of any self-insurance through ORM, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in a special account to be established upon receipt of any such funds and held by the Trustee in trust or in the case of self-insurance through ORM, as set forth in paragraph (b) below; and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation as advised by the Board stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no

liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee to the Corporation for the Board.

(b) In the event the University decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Trustee and applied to the redemption of the Bonds on a pro rata basis in accordance with the Indenture. The provisions of this Section 4.14(b) shall control over the provisions of the second paragraph of Section 4.22(a) of the Original Indenture.

(c) In the event that ORM insures the Facilities, the Board shall cause the Corporation to use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 4.15 Application of Money in the Replacement Fund.

(a) All moneys in the Replacement Fund shall be held for the benefit of the Board through the Corporation, are not pledged under this Indenture and may be drawn on and used by the Corporation or the Board to (i) replace any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, equipment, fixtures and other property owned by the Board or the Corporation and located on the Facilities and (ii) maintain the Facilities and to make all alterations, repairs, restorations and replacements to the Facilities as and when needed to preserve the Facilities in good working order, condition and repair, each as required by the Facilities Lease. Withdrawals from the Replacement Fund for the purposes set forth above shall be made by the Trustee upon its receipt of a requisition from the University or the Corporation substantially in the form attached hereto as Exhibit C to the Original Indenture. Moneys in the Replacement Fund may also be drawn by the Trustee and transferred to the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund if amounts on deposit therein, together with amounts available therefor in the Surplus Fund, are insufficient to pay debt service on the Series 2004B Bonds or the Series 2013 Bonds on any Interest Payment Date or Principal Payment Date.

(b) Any moneys remaining in the Replacement Fund immediately prior to the time all of the Series 2004B Bonds and Series 2013 Bonds are paid, or provision for their payment is made in accordance with Article XII hereof shall, at the option of the University, be used, together with amounts held in the Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund, to pay in full all outstanding Series 2004B Bonds and Series 2013 Bonds in accordance with their terms or shall be paid to the University.

Section 4.16 Application of Money in the Surplus Fund.

(a) Funds on deposit in the Surplus Fund at the end of any Fiscal Year may be transferred to the University on the date described below if (i) the Debt Service Coverage Ratio for the Facilities was 1.10:1.00 or greater for such Fiscal Year as evidenced by the audited financial statements for such Fiscal Year and (ii) neither the Corporation or the Board are in default under the financing documents on the date of

transfer to the University. Upon receipt of the audited financial statements for such Fiscal Year, provided that the above described conditions have been met, then at the written instruction of the University Representative, the Trustee shall transfer all of the amounts in the Surplus Fund on the last day of the immediately preceding Fiscal Year to the University.

(b) To the extent that there are insufficient funds in the Receipts Fund to make any of the transfers to the various funds and accounts required under Section 4.6(a) through (j) hereof on the dates such transfers are required to be made, any amounts contained in the Surplus Fund shall be transferred to such funds and accounts, in the priority set forth in Section 4.6 hereof, to make up for such deficiency.

Section 4.17 Application of Moneys in the Series 2013 Rebate Fund. Moneys in the Series 2013 Rebate Fund shall be used to make any rebate payments required to be made to the United States under the Code. The Series 2013 Rebate Fund shall be held for the sole benefit of the United States of America and is not pledged under this Supplemental Indenture. Moneys required to be paid to the United States shall be deposited in the Series 2013 Rebate Fund by the Board as Base Rental under the Facilities Lease as required thereby and by this Supplemental Indenture.

ARTICLE V ADDITIONAL BONDS

Section 5.1 Additional Bonds. Additional Bonds may be issued in accordance with the provisions of Article V of the Original Indenture.

ARTICLE VI COSTS OF ISSUANCE

Section 6.1 Payment of Costs of Issuance from Series 2013 Bond Proceeds Fund. There shall be paid into the Series 2013 Costs of Issuance Account in the Series 2013 Bond Proceeds Fund the amounts required to be so paid from Series 2013 Bond proceeds pursuant to Section 4.2(b) of this Supplemental Indenture; and such amounts shall be applied to the payment of all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Series 2013 Bonds including, but not limited to, publication costs, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, the Authority or any other fiduciary, legal fees and charges, fees and disbursements of consultants and professionals and any other cost, charge or fee in connection with the original sale and issuance of the Series 2013 Bonds. Any additional costs of issuance shall be paid solely by the Corporation. The Trustee shall make payments from the Series 2013 Costs of Issuance Account upon receipt of statements from the parties entitled to be paid therefrom accompanied by a written request of the Authority directing the Trustee to pay such statements.

ARTICLE VII ENFORCEMENT OF LOAN AGREEMENT AND FACILITIES LEASE

Section 7.1 Assignment of Loan Agreement and Facilities Lease. The Authority has assigned all of its right, title and interest in, to and under the Loan Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), including the interest of the Authority in and to the Ground Lease and the Facilities Lease assigned by the Corporation to the Authority thereunder (except for payments of Additional Rentals made under the Facilities Lease), to the Trustee as security for the Series 2013 Bonds and hereby agrees that the Loan Agreement and the Facilities Lease may be enforced by the Trustee

and/or the owners of the Bonds in accordance with the terms of the Facilities Lease and the Indenture. Notwithstanding such assignment, the Authority agrees to cause the Corporation to comply with the terms contained in the Loan Agreement and the Facilities Lease and the rights of the Bondholders and the Trustee shall be governed by the provisions of the Indenture, the Loan Agreement and the Facilities Lease.

Section 7.2 Trustee or Bondholders to Enforce Loan Agreement, Facilities Lease and Mortgage. The Trustee may, and upon request of the Series 2004 Bond Insurer or a majority in aggregate principal amount of the Bonds then outstanding shall, subject to the provisions of Section 8.11 and Article IX hereof, strictly and promptly enforce the provisions of the Loan Agreement, the Facilities Lease and Mortgage so long as any of the Bonds remain outstanding under the Indenture. All rights of action (including the right to file proof of claims) to enforce the Loan Agreement, the Facilities Lease and Mortgage under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee for the Bondholders without the necessity of joining as plaintiffs or defendants any of the Bondholders.

ARTICLE VIII EVENTS OF DEFAULT; REMEDIES

Section 8.1 No Extension of Time for Payment of Principal, Premium or Interest. The Trustee shall not be authorized to extend the time for any payment of principal, premium or interest without the prior written consent of or authorization by the owner of the Series 2013 Bonds so affected.

Section 8.2 Events of Default.

(a) Each of the following events is hereby declared to be an additional “*Event of Default*” under Section 8.2 of the Original Indenture:

- (i) The payment of any installment of interest on any of the Series 2013 Bonds shall not be made when the same shall become due and payable;
- (ii) The payment of the principal or premium, if any, on any of the Series 2013 Bonds shall not be made when the same shall become due and payable, whether at maturity or by proceedings for redemption or by acceleration or otherwise;
- (iii) An “*Event of Default*” under Article IX of the Loan Agreement shall have occurred and shall not have been cured within the applicable cure period;
- (iv) A default shall occur under Section 21 of the Facilities Lease;
- (v) If by action or inaction of the Authority, the Board or the Corporation the interest on the Series 2013 Bonds shall become includable in gross income for Federal income tax purposes; or
- (vi) Default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Series 2013 Bonds or in this Supplemental Indenture on the part of the Authority to be performed, if such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority, the Board and the Corporation by the Trustee, which may give such notice in its discretion and shall

give such notice at the written request of the owners of not less than a majority in principal amount of the Series 2013 Bonds then outstanding. Such default shall not become an Event of Default if said default be of the nature that (A) it cannot be corrected within the thirty (30) day period after receipt of notice, but the Authority (or the Corporation pursuant to the provisions of Section 8.14 of this Supplemental Indenture) promptly shall institute and diligently pursue corrective action until such default is cured and (B) the Trustee shall determine that such default is not curable but such default does not affect the validity or enforceability of the Series 2013 Bonds, this Supplemental Indenture or the Loan Agreement, an event of nonperformance shall not have occurred under the Loan Agreement (other than as a result of the cross-default provisions), and such default does not impair the security or the obligations provided for or under the Bonds, the Indenture or the Loan Agreement.

(b) The word "default" as used herein means failure of performance when due, exclusive of any period of grace, if any, allowed to correct any such failure.

Section 8.3 Remedies. Upon the occurrence of an Event of Default, the Authority, the Trustee and, subject to Sections 8.10 and 8.11, the Bondholders shall have all the rights and remedies as may be allowed by law, the Indenture, or pursuant to the provisions of the Loan Agreement and/or the Facilities Lease by virtue of their assignment hereunder, including but not limited to, acceleration of the maturity of all Bonds, or suit at law or in equity to enforce or enjoin the action or inaction of parties under the provisions of the Indenture, the Loan Agreement or the Facilities Lease.

Section 8.4 Acceleration; Annulment of Acceleration.

(a) Upon the occurrence of an Event of Default described in Section 8.2 of the Indenture, the Trustee may, and upon the written request of the Series 2004 Bond Insurer or the owners of a majority in aggregate principal amount of the Bonds shall, by notice in writing to the Authority, the Board and the Corporation, declare the Bonds then outstanding immediately due and payable, and such Bonds shall become and be immediately due and payable, anything in such Bonds or in the Loan Agreement or the Indenture to the contrary notwithstanding, and, subject to Article IX, the Trustee may exercise any remedies granted to it therein. In such event, there shall be due and payable on the Bonds an amount equal to the principal amount of all the Bonds then outstanding plus all interest accrued thereon and which will accrue thereon to the date of payment; and

(b) At any time after the principal of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Indenture, the Loan Agreement or the Facilities Lease, the Trustee may annul such declaration and its consequences with respect to the Bonds if (i) moneys shall have been deposited in the Series 2013 Debt Service Fund and the Series 2004 Debt Service Fund sufficient to pay all matured installments of principal (other than principal due solely because of acceleration) and interest; (ii) moneys shall be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Authority and the Trustee; (iii) all other amounts then payable by the Authority or the Corporation under the Indenture or the Loan Agreement shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every Event of Default known to the Authority or the Trustee (other than a default in the payment of the principal of the Bonds due only because of such declaration) shall have been remedied to the satisfaction of the Authority and the Trustee. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 8.5 Insufficiency in the Series 2013 Debt Service Fund; Application of Moneys.

(a) Anything in this Supplemental Indenture to the contrary notwithstanding, if at any time the moneys in the Series 2013 Debt Service Fund shall not be sufficient to pay the interest on, premium, if any, or the principal of the Series 2013 Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities), such moneys, together with any other moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall, subject to the provisions of Sections 9.2 and 9.4 hereof, be applied as follows:

(i) Unless the principal of all the Series 2013 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST, to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay any particular installment, then to the payment thereof, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2013 Bonds; then

SECOND, to the payment to the persons entitled thereto of the unpaid principal of any of the Series 2013 Bonds which shall have become due and payable (other than Series 2013 Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Supplemental Indenture) in the order of their due dates, with interest on the principal amount of such Series 2013 due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the Series 2013 Bonds and their interest thereon, then to the payment thereof ratably, according to the amount of the interest due on such date, and next to the payment of the principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference; and then

THIRD, to the payment of the interest on and the principal of the Series 2013, to the purchase and retirement of Series 2013 Bonds and to the redemption of Series 2013 Bonds, all in accordance with the provisions of this Supplemental Indenture.

(ii) If the principal of all the Series 2013 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Series 2013 Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Series 2013 Bond over any other Series 2013 Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference; and

(iii) If the principal of all the Series 2013 Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled, then, subject to the provisions of Section 8.4(b) above, in the event that the principal of all the Series 2013 Bonds shall later become or be declared due and payable, then all such moneys shall be applied in accordance with the provisions of Section 8.4(a) above.

B-19

(b) Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for application in the future; the deposit of such money or otherwise setting aside such money in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Supplemental Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the owner of any Series 2013 Bond until such Series 2013 Bond shall be surrendered to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.6 Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

Section 8.7 Reserved.

Section 8.8 Remedies Not Exclusive. No remedy by the terms of the Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or existing at law or in equity on or after the date of adoption of the Indenture.

Section 8.9 Remedies Vested in Trustee. All rights of action under the Indenture, the Loan Agreement or under any of the Bonds may be enforced by the Trustee without possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any owners of the Bonds.

Section 8.10 Reserved.

Section 8.11 Individual Bondholder Action Restricted.

(a) No owner of any Series 2013 Bond shall have any right to institute any suit, action or proceeding for the enforcement of this Supplemental Indenture or for the execution of any trust hereunder or for any remedy under this Supplemental Indenture unless an Event of Default has occurred (other than under Sections 8.2(a)(i) or 8.2(a)(ii) of the Original Indenture as to which the Trustee has actual notice, or as to which the Trustee has been notified in writing; and

(b) No one or more owners of Series 2013 Bonds shall have any right in any manner whatsoever to disturb or prejudice the security of this Supplemental Indenture or to enforce any right hereunder

except in the manner herein provided and then only for the equal benefit of the owners of all outstanding Series 2013 Bonds.

Section 8.12 Waiver and Non-Waiver of Event of Default. No delay or omission of the Trustee or of any owner of Bonds to exercise any right or power accruing upon any Event of Default shall impair the right or power or shall be construed to be a waiver of an Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and to the owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 8.13 Notice of Defaults.

(a) Within 30 days after the receipt of notice of an Event of Default or the occurrence of an Event of Default of which the Trustee is deemed to have notice, the Trustee shall (unless the Event of Default has already been cured) give written notice of the Event of Default to the owners of all Series 2013 Bonds then outstanding in the manner provided in Section 13.8 of this Supplemental Indenture, provided that, except in the case of a default in the payment of principal, redemption price, or interest on any of the Series 2013 Bonds, the Trustee may withhold the notice to the Bondholders if, in its sole judgment, it determines that the withholding of notice is not detrimental to the best interest of the Bondholders.

(b) The Trustee shall immediately notify, in writing, the Authority, the Board, the Series 2004 Bond Insurer and the Corporation of any Event of Default known to the Trustee.

Section 8.14 Opportunity of Corporation to Cure Certain Defaults. The Authority and the Trustee hereby grant the Corporation full authority on the account of the Board and/or the Authority to perform any covenant or obligation and to otherwise fulfill any condition the failure or non-performance of which is or is alleged to be a default under Section 8.2(a)(vi) of this Supplemental Indenture, and the Trustee agrees that performance by the Corporation shall be deemed to be performance by the Board and/or the Authority.

ARTICLE IX CONCERNING THE TRUSTEE

Section 9.1 Acceptance of Trusts. The Trustee hereby represents and warrants to the Authority (for the benefit of the Board, the Corporation and the Bondholders as well as the Authority) that it is a bank and trust company duly organized and existing under the laws of the State of Louisiana and that it is duly authorized under such laws to accept and execute trusts of the character herein set out. The Trustee accepts and agrees to execute the trusts imposed upon it by this Supplemental Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Supplemental Indenture including the following express terms and conditions, to all of which the parties hereto and the respective Owners of the Series 2013 Bonds agree:

(a) Except during the continuance of an Event of Default within the purview of Section 8.2, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Supplemental Indenture, and the Trustee shall not be responsible for (x) the legality or enforceability of this Supplemental Indenture (except with respect to performance of its obligations hereunder), the Loan Agreement (except with respect to performance of its obligations hereunder), the Facilities Lease (except with respect to performance of its obligations hereunder), the Tax Regulatory Agreement (except with respect to performance of its obligations thereunder), and any supplement thereto, the Series 2013 Bonds (except as to the authentication of the Series 2013 Bonds), or any instruments or documents related thereto (collectively, the

"Transaction Documents") or (y) the legality, perfection, sufficiency or priority of the Trust Estate or any lien purported to be granted thereon under any of the aforesaid documents or otherwise. No implied covenants or obligations shall be read into this Supplemental Indenture against the Trustee.

(b) No provision of this Supplemental Indenture shall be construed to relieve the Trustee from liability for its negligence or willful misconduct, except that:

(i) in the absence of bad faith on the part of the Trustee, the Trustee may rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected fully from liability in relying or acting upon, any resolution, opinion of counsel, certificate, request, notice, consent, waiver, order, signature guaranty, notarial seal, stamp, acknowledgment, verification, appraisal, report or other paper or document believed by the Trustee to be genuine and to have been signed, affixed or presented by the proper party or parties; but in the case of any such certificates or opinions that by any provision hereby are specifically required to be furnished to the Trustee, as the case may be, the Trustee shall be under a duty to examine the same to determine whether or not they conform to requirements of this Supplemental Indenture;

(ii) in the absence of bad faith on the part of the Trustee, whenever the Trustee, or any of its agents, representatives, experts or counsel, shall consider it necessary or desirable that any matter be proved or established, such matter shall be deemed to be conclusively proved and established by a certificate executed by an Authorized Authority Representative or an Authorized Corporation Representative; provided, however, that the Trustee, or such agent, representative, expert or counsel may require, but is not obligated to require, such further and additional evidence and make such further investigation as it or they may consider reasonable;

(iii) the Trustee may consult with counsel and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance with such advice or opinion of counsel;

(iv) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith and in accordance with any direction or request of the Bondholders;

(v) the Trustee shall not be liable for any error of judgment made in good faith by an officer or employee of the Trustee unless the Trustee is negligent in ascertaining the pertinent facts;

(vi) the Trustee shall not be deemed to have knowledge of any Event of Default, except for the failure of the Corporation to make or cause to be made scheduled payments to the Trustee provided for in the Loan Agreement, unless and until an officer of the Trustee who customarily handles corporate trusts and is assigned to supervise this Supplemental Indenture shall have actual knowledge thereof or the Trustee shall have received written advice thereof from any Bondholder;

(vii) anything in any of the Transaction Documents to the contrary notwithstanding, whether or not an Event of Default shall have occurred, the Trustee shall not be under any obligation to take any action under this Supplemental Indenture that may involve it in any expense or liability, the payment of which within a reasonable time is not, in its opinion, assured to it by the security afforded to it by the terms of this Supplemental Indenture, unless it is requested in writing to do so by one or more owners of the Series 2013 Bonds outstanding hereunder and furnished, from time to time as it may require, with security and indemnity satisfactory to it;

(viii) the Trustee need not take any action or follow any direction from any one or more Bondholders if the Trustee shall be advised by counsel that the action or proceedings so directed may not lawfully be taken or would be prejudicial to Bondholders not parties to such direction, or the Trustee in good faith believes following such direction would involve the Trustee in personal liability;

(ix) in no event shall the Trustee be liable to any person for special, indirect, punitive, exemplary or consequential damages, lost profits or loss of business arising under or in connection with this Supplemental Indenture, even if previously informed of the possibility of such damages and regardless of the form of action; and

(x) anything to the contrary in the Transaction Documents notwithstanding, the permissive right of the Trustee to do anything enumerated or set forth in any of the Transaction Documents shall not be construed as a duty, and the Trustee shall not be held responsible or liable for other than its negligence or willful misconduct.

(c) In case an Event of Default within the purview of Section 8.2 hereof has occurred and is continuing and the Trustee has or is deemed to have knowledge of the Event of Default pursuant to (b)(vi) above, subject to the provisions of this Article IX, the Trustee shall exercise such of the rights and powers vested in it by this Supplemental Indenture and use the degree of care and skill in their exercise as a prudent man would exercise under the circumstances.

(d) Whether or not therein expressly so provided, every provision of this Supplemental Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee, including without limitation Sections 9.3 and 9.4 hereof, shall be subject to the provisions of this Section 9.1. The Trustee also accepts, and agrees to do and perform, the duties and obligations imposed upon it by and under the Loan Agreement, and the Facilities Lease, but only upon the terms and conditions set forth in the Loan Agreement, the Facilities Lease, and this Supplemental Indenture. The rights of the Trustee to do things enumerated in this Supplemental Indenture shall not be construed as a duty.

Section 9.2 Trustee Entitled to Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Supplemental Indenture or under the Loan Agreement, or to enter any appearance in or in any way defend against any suit, in which it may be made a defendant (except in the case of the Trustee's own negligence), or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder or under the Loan Agreement or the Facilities Lease, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Authority shall reimburse the Trustee from funds available therefor under the Loan Agreement for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Authority shall fail to make reimbursement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Supplemental Indenture and shall be entitled to a preference over any of the Series 2013 Bonds.

Section 9.3 Trustee Not Responsible for Insurance, Taxes, Execution of Supplemental Indenture, Acts of the Authority or Application of Moneys Applied in Accordance with this Supplemental Indenture.

(a) The Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the

Board or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall have no responsibility in respect of the validity, sufficiency, due execution or acknowledgment of this Supplemental Indenture or the validity or sufficiency of the security provided hereunder or in respect of the validity of the Series 2013 Bonds or the due execution or issuance thereof, except as to the authentication thereof.

(b) The Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

(c) The Trustee shall not be liable or responsible because of the failure of the Authority or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Authority or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other depository in which such moneys shall have been deposited under the provisions of this Supplemental Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Series 2013 Bonds or any other moneys deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Supplemental Indenture.

(d) The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 9.4 Compensation. The Trustee shall be entitled to reasonable compensation for its ordinary services hereunder consistent with the results of the process by which the Trustee was selected and any extraordinary services rendered hereunder and to reimbursement for all expenses incurred in good faith hereunder, including the compensation, expenses and disbursements of such agents, representatives, experts and counsel as the Trustee may employ in connection with the exercise and performance of its powers and duties hereunder. Subject to the provisions of any contract relating to the compensation of the Trustee, the Authority shall cause the Board to pay to the Trustee as administrative expenses its reasonable fees and charges as Additional Rent in accordance with the Facilities Lease upon the written request of the Trustee and provided the Authority shall be furnished with sufficient funds to pay all costs and expenses (including attorneys' fees) reasonably incurred by the Authority in connection therewith as such costs and expenses accrue. If the Board shall fail to make any payment required by this Section, the Trustee may, but shall be under no obligation to, make such payment from any moneys in its possession under the provisions of this Supplemental Indenture, and the Trustee shall be entitled to a preference therefor over any of the Series 2013 Bonds Outstanding hereunder.

Section 9.5 Trustee to Preserve Records. All records and files pertaining to the Corporation in the custody of the Trustee shall be open at all reasonable times to the inspection of the Authority, the Board, the Corporation and their agents and representatives.

Section 9.6 Trustee May be Bondholder. The Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in any of the Series 2013 Bonds issued under and secured by this Supplemental Indenture, and may join in the capacity of a Bondholder in any action which any Bondholder may be entitled to take with like effect as if such institution were not the Trustee under this Supplemental Indenture.

Section 9.7 Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the Series 2013 Bonds shall be taken and construed as made by and on the part of the Authority and not by the Trustee, and the Trustee shall not be under any responsibility for the correctness of the same.

Section 9.8 Trustee Responsible for Reinscription. The Trustee, as set forth in the Loan Agreement, is required to reinscribe the Loan Agreement and the Mortgage at such times as shall be necessary to preserve the lien thereof. Under the Loan Agreement, the Corporation has covenanted to cooperate with the Trustee with regard to the foregoing.

Section 9.9 Trustee May Rely on Certificates. Subject to the provisions of Section 9.1(b), the Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Supplemental Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Loan Agreement or this Supplemental Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert believed by it to be qualified in relation to the subject matter, and the Trustee shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

ARTICLE X
RESERVED

ARTICLE XI
COVENANTS OF AUTHORITY

Section 11.1 Payment of Principal, Premium and Interest. The Authority covenants that it will promptly pay, or cause to be paid, the principal of, premium, if any, and the interest on every Series 2013 Bond at the places, on the dates and in the manner provided herein and in said Series 2013 Bonds according to the true intent and meaning thereof but solely from the revenues of the Trust Estate and not from any other fund or source. The Authority further covenants that it will faithfully perform at all times all of its covenants, undertakings and agreements contained in this Supplemental Indenture, the Loan Agreement or in any Series 2013 Bond executed, authenticated and delivered hereunder or in any proceedings of the Authority pertaining thereto.

Section 11.2 Additional Security. The Authority covenants, whenever and so often as reasonably required to do so by the Trustee, promptly to execute and deliver or cause to be delivered all such other and further instruments, documents or assurances, and to promptly do or cause to be done all such other further things, as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the owners of the Series 2013 Bonds all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Supplemental Indenture.

Section 11.3 Cure Title Defects. The Authority covenants to promptly, upon the request of the Trustee, from time to time, take or cause to be taken such action as may be necessary or proper to remedy or cure any material defect in or cloud upon the title to the Trust Estate or any part thereof, whether now existing or hereafter developing, and to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Trustee and every owner of Series 2013 Bonds, solely from the

Trust Estate, harmless from all loss, cost, damage and expense, including attorneys' fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceedings.

Section 11.4 Defend Against Actions. The Authority covenants to defend or cause to be defended every suit, action or proceeding at any time brought against the Trustee or any owner of Series 2013 Bonds upon any claim arising out of the receipt, application or disbursement of any of the revenues of the Trust Estate or involving the Authority's, the Trustee's or such Bondholders' rights under this Supplemental Indenture or the Loan Agreement and to indemnify and save harmless, solely from the Trust Estate, the Trustee and Bondholders against any and all liability claimed or asserted by any person whomsoever, arising out of such receipt, application or disbursement of any such revenues; provided, however, that the Trustee or any owner of Series 2013 Bonds at its or his election may appear in and defend against any such suit, action or proceeding; and notwithstanding any contrary provision hereof, this covenant shall continue and remain in full force and effect until all indebtedness, liabilities, obligations and other sums secured hereby have been fully paid and satisfied, and this Supplemental Indenture has been released of record and the lien hereof discharged.

Section 11.5 Non-Impairment of Security. The Authority covenants that so long as any of the Series 2013 Bonds issued pursuant to this Supplemental Indenture are outstanding and unpaid, the Authority will not voluntarily consent to any amendment to the Loan Agreement or otherwise take any action which will reduce the amount of moneys made available thereunder to the Trustee, or which will in any manner impair or adversely affect the rights of the Authority or the Trustee or the security provided by this Supplemental Indenture to the owners from time to time of the Series 2013 Bonds.

Section 11.6 Authority's Obligation Limited. Nothing in the Loan Agreement or this Supplemental Indenture is intended to require or obligate nor shall anything therein be interpreted to require or obligate the Authority for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Authority other than from the Trust Estate.

ARTICLE XII
DEFESANCE

Section 12.1 Payment.

(a) When all of the Series 2013 Bonds shall have been paid and discharged, and there shall have been paid all fees and charges of the Trustee due or to become due through the date on which the last of the Series 2013 Bonds is retired, then this Supplemental Indenture shall cease, terminate and become null and void, and thereupon the Trustee shall release this Supplemental Indenture including the cancellation and discharge of the lien hereof, and execute and deliver to the Authority such instruments in writing as shall be requisite to satisfy the lien hereof and, if necessary, to enter on the records such satisfaction and discharge and to re-convey to the Authority any property or interest therein or other rights hereby conveyed and such other instruments to evidence such release and discharge as may be reasonably required by the Authority, and the Trustee shall assign and deliver to the Authority any property at the time subject to the lien of this Supplemental Indenture which may then be in its possession, except amounts in any Fund otherwise required to be paid by this Supplemental Indenture and except such cash and investments as are held by the Trustee for the payment of interest and premium, if any, on and retirement of the Series 2013 Bonds.

(b) Notwithstanding the foregoing, the obligation of the Corporation to pay the fees and expenses of the Trustee in accordance with the terms of this Supplemental Indenture shall survive the

defeasance of the Series 2013 Bonds, the discharge of this Supplemental Indenture and the termination of the Loan Agreement.

Section 12.2 Provision for Payment. Any Series 2013 Bonds shall be deemed to have been paid and discharged within the meaning of Section 12.1, if the Trustee, or an escrow trustee, shall hold, in trust for and irrevocably committed thereto, moneys or Defeasance Obligations of such maturities and interest payment dates and bearing such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (likewise to be held in trust and committed, except as hereinafter provided), be sufficient for the payment of such Series 2013 Bonds, at their maturity or redemption date, of the principal thereof, together with the redemption premium, if any, and interest accrued to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date then to the date of the tender of such payment; provided, that if any Series 2013 Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provisions satisfactory to the Trustee shall have been duly made for the giving of such notice. Any moneys held in accordance with the provisions of this Section shall be invested only in Defeasance Obligations the maturities or redemption dates and interest payment dates of which, at the option of the owner, shall coincide as nearly as practicable with, but not later than, the time or times at which said moneys will be required for the aforesaid purposes. Any income or interest earned by the Defeasance Obligations held under this Section shall, as determined by the Trustee or the escrow trustee, to the extent not required for the purposes of this Section, be paid to the Corporation for the Board as overpayment of Payments.

Section 12.3 Certifications. The Authority and the Corporation covenant and agree that they will furnish to the Trustee:

(a) Certificates or opinions made by officers of the Authority and the Corporation required by this Supplemental Indenture stating that provisions of this Article relating to the satisfaction and discharge of this Supplemental Indenture have been fulfilled; and

(b) An opinion of Bond Counsel to the effect that the payment of the Series 2013 Bonds has been provided for in the manner set forth in this Supplemental Indenture and the Loan Agreement and that all obligations of the Authority and the Corporation with respect to the Series 2013 Bonds have been discharged and satisfied; and

(c) In the case of an advance refunding, a mathematical verification prepared by a nationally recognized law firm or firm of independent certified public accountants (or other verification agent satisfactory to the Trustee) that the Defeasance Obligations are sufficient to pay the principal of, premium, if any, and interest on the Series 2013 Bonds which are defeased.

ARTICLE XIII
MISCELLANEOUS

Section 13.1 Covenants of Authority Binds its Successors. In the event of the dissolution of the Authority, all of the covenants, stipulations, obligations and agreements contained in this Supplemental Indenture by or on behalf of or for the benefit of the Authority shall bind or inure to the benefit of the successor or successors of the Authority from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Authority" as used in this Supplemental Indenture shall include such successor or successors.

Section 13.2 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Supplemental Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, the Corporation, the Board and any Bondholder and their agents and their representatives, any of whom may make copies thereof.

Section 13.3 Parties Interest Herein. Nothing in this Supplemental Indenture expressed or implied, is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Authority, the Trustee, the Corporation and the Bondholders, any right, remedy or claim or by reason of this Supplemental Indenture or any covenant, agreement, condition or stipulation therein.

Section 13.4 No Recourse on the Series 2013 Bonds. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Series 2013 Bonds or for any claim based thereunder or under this Supplemental Indenture against any trustee, director, officer, employee or agent of the Authority or of the Trustee.

Section 13.5 Severability. If any clause, provision or Section of this Supplemental Indenture be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Supplemental Indenture shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Supplemental Indenture be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Authority, the Corporation, or the Board, as the case may be, only to the extent permitted by law.

Section 13.6 Consents and Approvals. Whenever the written consent or approval of the Authority, the Trustee, the Corporation or the Board shall be required under the provisions of this Supplemental Indenture, such consent or approval shall not be unreasonably withheld or delayed.

Section 13.7 Notices. All notices, demands and requests to be given or made hereunder to or by the Authority, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

| | |
|------------------------|--|
| If to the Authority: | Louisiana Local Government Environmental Facilities and Community Development Authority 8712 Jefferson Highway, Suite A Baton Rouge, Louisiana 70809 Attention: Executive Director |
| If to the Corporation: | University Facilities, Inc. SLU Box 10709 Hammond, Louisiana 70402 Attention: Chairman |
| If to the Trustee: | The Bank of New York Mellon Trust Company, N.A. 301 Main Street, Suite 1510 Baton Rouge, Louisiana 70825 Attention: Corporate Trust |

If to the Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance
With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

If to the Series 2004
Bond Insurer

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

(b) Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The above addresses may be changed at any time upon written notice of such change sent by United States mail, postage prepaid, to the other parties by the party effecting the change.

Section 13.8 Notices to Bondholders. Any notices or other communications required or permitted to be given to the Bondholders pursuant to this Supplemental Indenture shall be mailed by first class mail in a sealed envelope, postage prepaid, addressed to each such Bondholder as his address last appears on the Bond Register. In case, by reason of the suspension of or irregularities in regular mail service, it shall be impractical to mail notice to the Bondholders of any event when such notice is required to be given pursuant to any provision of this Supplemental Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of such notice. Any notice herein required may be omitted if the owners of all the Series 2013 Bonds entitled to such notice give to the Trustee a written waiver of such notice.

Section 13.9 Applicable Law. This Supplemental Indenture shall be governed exclusively by the applicable laws of the State.

Section 13.10 Captions. The table of contents, captions and headings of the several articles and sections of this Supplemental Indenture are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Supplemental Indenture.

Section 13.11 Supplemental Indenture to Constitute a Contract. This Supplemental Indenture, upon execution by the Authority and the Trustee shall constitute a third party beneficiary contract between the Authority and the Trustee for the benefit of the owners of all Series 2013 Bonds issued hereunder.

Section 13.12 Performance on Legal Holidays. In any case where the date of maturity of interest on or principal of the Series 2013 Bonds or the date fixed for redemption or purchase of any Series 2013 Bonds or the date fixed for the giving of notice or the taking of any action under this Supplemental Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the

giving of such notice or the taking of such action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

Section 13.13 Continuing Disclosure Certificates. The Board and State have undertaken to comply with continuing disclosure requirements, and the Authority shall have no liability to the holders of the Series 2013 Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Supplemental Indenture, failure of the Board or the State to comply with the terms of its respective Continuing Disclosure Certificate shall not be considered an Event of Default hereunder; however, the Trustee may (and, at the request of the Underwriter (as defined in the Continuing Disclosure Certificate) or the holders of at least a majority in aggregate principal amount of Outstanding Series 2013 Bonds shall), upon being provided indemnity satisfactory to the Trustee, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Board and/or the State to comply with its respective obligations under this Section 13.13. The Trustee shall have no responsibility for the failure of the Board or the State to report any material event and shall have no responsibility as to any determination by the Board or the State of whether any event would constitute material information for holders of the Series 2013 Bonds; provided, however, that the Trustee hereby agrees to notify the Board in writing on or before November 1 of each year, commencing November 1, 2014, of the Board's obligation to comply with the requirements of Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12.

Section 13.14 Amendments to Original Indenture. Except as specifically stated in this Supplemental Indenture, the provisions hereof are supplemental to the Original Indenture and shall not be deemed to amend or replace any provisions of the Original Indenture.

The Original Indenture is hereby amended as follows:

- (a) The following is added as a new definition to Section 1.1:

"Refunding Bonds" shall mean Additional Bonds issued pursuant to Section 5.2 hereof.
- (b) The following is added as a new Section 13.14 of the Original Indenture:

Section 13.14 Bond Insurer Rights. All rights of the Series 2004 Bond Insurer under the Indenture shall terminate at such time as no Series 2004B Bonds remain outstanding and there are no outstanding obligations due to the Series 2004 Bond Insurer under the Reimbursement Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority has caused this Supplemental Indenture to be executed by its Executive Director and has caused the seal of the Authority to be affixed hereto and attested by its Assistant Secretary and the Trustee has caused this Supplemental Indenture to be executed in its behalf by a Trust Officer and its seal to be impressed hereon, all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: _____
Steve A. Dicharry, Executive Director

ATTEST:

[SEAL]

By: _____
Linda U. Martin, Assistant Secretary

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: _____
Watson T. Barger, Vice President

[SEAL]

B-25

each between the Authority and the Corporation, for the foregoing purposes. The Board of Supervisors for the University of Louisiana System (the "Board"), acting on behalf of the University, has leased the land upon which the Facilities are located on the campus of the University (the "Land") and the Facilities to the Corporation pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "Original Ground Lease"), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the "First Amendment to Ground Lease"), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the "Second Amendment to Ground Lease"), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "Third Supplemental Ground Lease" and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the "Ground Lease") each by and between the Board and the Corporation, and has leased the Facilities from the Corporation pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "Original Facilities Lease"), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the "First Amendment to Facilities Lease"), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the "Second Amendment to Facilities Lease"), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "Third Supplemental Facilities Lease" and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the "Facilities Lease") each by and between the Corporation and the Board.

The Series 2013 Bonds are issued pursuant to the laws of the State, particularly Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the "LCDA Act"), Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "Refunding Act" and, together with the LCDA Act, the "Act") and pursuant to a Trust Indenture dated August 1, 2004 (the "Original Indenture"), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the "Supplemental Indenture" and, together with the Original Indenture, the "Indenture"), each between the Authority and the Trustee, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, and to which Indenture reference is hereby made for a more complete description of the assigned revenues constituting the Trust Estate, the nature and extent of the security, the terms and conditions under which the Series 2013 Bonds are issued and secured, the terms and conditions under which Additional Bonds may be issued and secured, the rights, duties and immunities of the Trustee and the rights of the registered owners of the Series 2013 Bonds. The registered owner of this Series 2013 Bond shall have no rights to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture, and by acceptance of this Series 2013 Bond, the owner hereof assents to all of the provisions of the Indenture and the Assignment (hereinafter defined). All terms not defined herein shall have the meanings assigned thereto in the Indenture.

The Series 2013 Bonds have been issued on a parity with the Series 2004B Bonds under the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds without coupons, in Authorized Denominations, and shall be numbered from No. R-1 upwards. The Series 2013 Bonds are limited and special revenue obligations of the Authority and are payable solely from (i) payments received by the Authority from the Corporation pursuant to the Agreement (except however, the Authority's rights to exculpation, indemnification and payment of expenses by the Corporation under the Agreement) and (ii) all funds held by the Trustee under the Indenture and available for such payment, said payments and funds being herein referred

to as the "Trust Estate." The Agreement, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, provides that the Corporation is unconditionally obligated to make payments, but solely from the Payments (as defined in the Agreement) in an aggregate amount sufficient, for the payment in full of the principal and interest of all Series 2013 Bonds issued and outstanding under the Indenture, to the date of payment thereof, and certain costs, expenses and charges of the Authority and the Trustee. The Agreement imposes upon the Corporation certain obligations respecting the use and operation of its Facilities and the maintenance and repair of said Facilities.

THE SERIES 2013 BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE SERIES 2013 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THE INDENTURE. THE ISSUANCE OF THE SERIES 2013 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.

As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Bonds in Authorized Denominations.

For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

REDEMPTION PROVISIONS

Optional Redemption

The Series 2013 Bonds maturing August 1, 2024 and thereafter are subject to redemption prior to maturity at the option of the Corporation, upon written direction to the Authority, on or after August 1, 2023 as a whole at any time, or in part on any Interest Payment Date, the maturity of said Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

Mandatory Redemption

(i) If the Board shall purchase the Corporation's leasehold interest in the Facilities pursuant to the Facilities Lease, the Series 2013 Bonds shall be redeemed as a whole and shall be redeemed on the later of (a) August 1, 2014, or (b) the earliest practicable date, but not more than sixty (60) days, after such purchase, and in any event, at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2013 Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Series 2013 Bonds is not an Authorized Denomination, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subsection (b) shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order: first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, the Series 2013 Bonds.

Mandatory Sinking Fund Redemption.

The Series 2013 Bonds maturing on August 1, 2026 shall be subject to mandatory redemption and payment prior to maturity on August 1 in each of the years set forth below, at 100% of the principal amounts plus accrued interest to the redemption date, without premium, as follows:

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
| 2025 | \$ 4,295,000 |
| 2026* | 170,000 |

*Final Maturity

If on any occasion less than all of the Series 2013 Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in the Indenture, then the principal amount of the

{B0888665.8}

Exhibit A-5

SLU – Indenture

Series 2013 Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above tables. The principal amounts required by the tables above shall be adjusted downward in the amount of principal redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional redemption.

Unless otherwise specified above, if less than all of the Series 2013 Bonds shall be called for redemption, the maturity of the Series 2013 Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

At least thirty (30) days before the redemption date of any Series 2013 Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2013 Bonds then outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

Modifications or alterations of the Indenture or any agreement supplemental thereto or of the Agreement or any agreement supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement. So long as no event of nonperformance under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2013 Bond, do exist, have happened and have been performed in regular and due form as required by law.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

{B0888665.8}

Exhibit A-6

SLU – Indenture

B-28

IN WITNESS WHEREOF, the Louisiana Local Government Environmental Facilities and Community Development Authority has caused this Series 2013 Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal or a facsimile thereof to be hereto affixed or printed, and attested by the manual or facsimile signature of its Secretary-Treasurer on _____, 20__.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

[S E A L]

By _____
Executive Director

Attest:

Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This Series 2013 Bond is one of the Series 2013 Bonds described in the within mentioned Indenture.

Date of Authentication:

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

_____, 20__

By: _____
Authorized Trust Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification
or Social Security Number of Assignee)

the within Series 2013 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the Series 2013 within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by: _____
NOTICE: Signature must be guaranteed by a
Participant in the Securities Transfer Agent
Medallion Program.

NOTICE: The signature to this assignment must
correspond with the name as it appears on the
face of the within Series 2013 Bond in every
particular, without alteration, enlargement or any
change whatever.

TRANSFER FEE MAY BE REQUIRED

B-29

LEGAL OPINION CERTIFICATE

I, the undersigned Chairman of the Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that attached hereto are true copies of the complete legal opinion of Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, the originals of which were manually executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue described therein and were delivered to the original purchaser thereof. I further certify that executed copies of the above-referenced legal opinions are on file in my office and that executed copies thereof have been furnished to the Trustee for these Series 2013 Bonds.

By: _____
Executive Director

B-30

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF
FIRST SUPPLEMENTAL
LOAN AND ASSIGNMENT AGREEMENT

by and between

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

and

UNIVERSITY FACILITIES, INC.

Dated as of November 1, 2013

in connection with:

\$40,910,000
Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

TABLE OF CONTENTS

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION 3
 Section 1.1 Definitions 3
 Section 1.2 Rules of Construction 10
 ARTICLE II REPRESENTATIONS 10
 Section 2.1 Representations by the Authority..... 10
 Section 2.2 Representations of the Corporation 10
 Section 2.3 Environmental Representations 11
 ARTICLE III TERM, NATURE AND BENEFITS OF SUPPLEMENTAL LOAN AGREEMENT;
 CONSTRUCTION OF FACILITIES 13
 Section 3.1 Term..... 13
 Section 3.2 Nature and Benefits 13
 Section 3.3 Revision of Facilities Documents 13
 Section 3.4 No Warranty of Condition or Suitability 14
 ARTICLE IV DISBURSEMENT OF SERIES 2013 BOND PROCEEDS; PAYMENTS; CREDITS;
 OBLIGATIONS UNCONDITIONAL; PREPAYMENT 14
 Section 4.1 Disbursement of Series 2013 Bond Proceeds 14
 Section 4.2 Amounts Payable 14
 Section 4.3 Credits Against Payments 15
 Section 4.4 Obligation to Make Payments..... 15
 Section 4.5 Prepayment of Payments 16
 ARTICLE V NON-ARBITRAGE 17
 Section 5.1 Covenants as to Arbitrage..... 17
 ARTICLE VI CERTAIN COVENANTS OF THE CORPORATION 17
 Section 6.1 General Covenants of Corporation 17
 Section 6.2 Covenants Regarding Operation and Maintenance by the Corporation of its Properties 19
 Section 6.3 Covenant as to Encumbrances 20
 Section 6.4 Covenants, Representations and Warranties Relating to Federal Income Taxation 20
 Section 6.5 Information 21
 Section 6.6 Source of Payments 22
 Section 6.7 Insurance..... 22
 Section 6.8 Annual Reports 22
 Section 6.9 Merger or Consolidation 22
 Section 6.10 Revenue Transfer to Trustee..... 23
 Section 6.11 Disposition of Assets 23
 Section 6.12 Additional Corporation Representations..... 23
 Section 6.13 Continuing Disclosure 23
 ARTICLE VII ASSIGNMENT 24
 Section 7.1 Assignment of this Supplemental Loan Agreement 24
 Section 7.2 Restrictions on Transfer of Authority’s Rights..... 24
 Section 7.3 Assignment by the Authority 24
 ARTICLE VIII SUPPLEMENTS AND AMENDMENTS 24
 Section 8.1 Amendment to Loan Agreement Without Consent..... 24
 Section 8.2 Amendment to Loan Agreement Upon Approval of a Majority of Bondholders 25
 Section 8.3 Amendments to Facilities Lease or the Ground Lease Not Requiring Owner Consent..... 25
 Section 8.4 Amendments to the Facilities Lease or the Ground Lease Requiring Owner Consent..... 26
 Section 8.5 Consent Required Under Certain Circumstances for Amendment of
 Facilities Lease or Ground Lease..... 26
 Section 8.6 Opinion Required for Amendment of Facilities Lease or Ground Lease 26

Section 8.7 Consent of the Board 27
 Section 8.8 Filing..... 27
 Section 8.9 Reliance on Counsel 27
 Section 8.10 Notice to Rating Agencies 27
 ARTICLE IX EVENTS OF DEFAULT AND REMEDIES 27
 Section 9.1 Events of Default Defined 27
 Section 9.2 Remedies..... 28
 Section 9.3 No Remedy Exclusive; Selective Enforcement 28
 Section 9.4 Indenture Overriding..... 28
 Section 9.5 Loan Agreement to Pay Attorneys’ Fees and Expenses 28
 Section 9.6 Authority and Corporation to Give Notice of Default 29
 Section 9.7 Correlative Waivers 29
 ARTICLE X MISCELLANEOUS..... 29
 Section 10.1 References to the Series 2013 Bonds Ineffective After Series 2013 Bonds Paid 29
 Section 10.2 Amounts Remaining in Funds 29
 Section 10.3 Notices 29
 Section 10.4 Binding Effect..... 30
 Section 10.5 Performance on Legal Holidays..... 30
 Section 10.6 Execution in Counterparts..... 30
 Section 10.7 Applicable Law 30
 Section 10.8 Severability 30
 Section 10.9 Captions 31
 Section 10.10 Consents and Approvals 31
 Section 10.11 Third Party Beneficiaries 31
 Section 10.12 Exculpatory Provision..... 31
 Section 10.13 Accounts and Audits 32
 Section 10.14 Date of Supplemental Loan Agreement..... 32
 Section 10.15 Reliance 32
 Section 10.16 Authority Not Liable..... 32
 Section 10.17 No Violations of Law 33

EXHIBIT A – DESCRIPTION OF FACILITIES

EXHIBIT B – PERMITTED ENCUMBRANCES

B-32

FIRST SUPPLEMENTAL LOAN AND ASSIGNMENT AGREEMENT

This FIRST SUPPLEMENTAL LOAN AND ASSIGNMENT AGREEMENT dated as of November 1, 2013 (the "Supplemental Loan Agreement") is between LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (the "Authority"), and UNIVERSITY FACILITIES, INC., a non-profit corporation incorporated and existing under the laws of the State of Louisiana (the "Corporation") and supplements and amends that certain Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation (the "Original Loan Agreement" and, together with the Supplemental Loan Agreement, the "Loan Agreement").

WITNESSETH:

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), is a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended, La. R.S. 33:4548.1 to 4548.6, inclusive) (the "LCDA Act"), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the "Refunding Act" and, together with the LCDA Act, the "Act"), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, pursuant to the Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee (the "Original Indenture") and in accordance with the provisions of the Act, the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds" and, together with the Series 2004A Bonds, the "Series 2004 Bonds") on behalf of University Facilities Inc., a Louisiana non-profit corporation (the "Corporation"), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "Facilities") for Southeastern Louisiana University (the "University") located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "Board") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University;

WHEREAS, pursuant to Section 5.2 of the Original Indenture, the Authority may issue Refunding Bonds, the proceeds of which may be used to refund all or a portion of the Series 2004 Bonds;

WHEREAS, pursuant to a First Supplemental Trust Indenture dated of even date herewith (the "Supplemental Indenture" and, together with the Original Indenture, the "Indenture"), the Authority is issuing its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the "Series 2013 Bonds"), the proceeds of the sale of which shall loaned to the Corporation, pursuant to this Supplemental Loan Agreement for the

purpose of (i) refunding the Refunded Bonds (as hereinafter defined); and (ii) paying the costs of issuance of the Series 2013 Bonds;

WHEREAS, the Corporation and the Authority are empowered to consummate the transactions contemplated hereunder and to do all acts and exercise all powers and assume all obligations necessary or incident thereto;

WHEREAS, in consideration of the issuance of the Series 2013 Bonds by the Authority, the Corporation will: (i) assign its rights under that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "Original Facilities Lease"), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the "First Amendment to Facilities Lease"), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the "Second Amendment to Facilities Lease"), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "Third Supplemental Facilities Lease" and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the "Facilities Lease") each by and between the Corporation and the Board, pursuant to which the Corporation leases the Facilities on the Property that the Corporation leases from the Board pursuant to that certain Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "Original Ground Lease"), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the "First Amendment to Ground Lease"), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the "Second Amendment to Ground Lease"), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "Third Supplemental Ground Lease" and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the "Ground Lease") each by and between the Board and the Corporation, which assignment includes the Corporation's right to all Base Rental (as defined in the Facilities Lease) received thereunder, to the Authority, and (ii) agree to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, pursuant to the requirements of the Original Indenture, the Series 2013 Bonds shall be on a parity with the Series 2004B Bonds (as hereinafter defined) and any Additional Bonds, and accordingly, the Corporation and the Authority have this date supplemented the Facilities Lease such that the Corporation's assigned rights under the Facilities Lease include payment of all Base Rental sufficient to pay debt service on the Bonds (as hereinafter defined), and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, Sections 8.1, 8.3 and 8.7 of the Original Loan Agreement permit the Corporation and the Authority, with the written consent of the Series 2004 Bond Insurer (as hereinafter defined), the Board and the Trustee to supplement the Original Loan Agreement to conform to the Supplemental Indenture for the Additional Bonds;

WHEREAS, the Authority has adopted a resolution authorizing the sale and the issuance of the Series 2013 Bonds, the execution and delivery of instruments pertaining to the issuance thereof and other actions to be taken by the Authority in connection with the authorization, issuance, sale and delivery of the Series 2013 Bonds and the application of the proceeds thereof;

WHEREAS, all acts, conditions and things required by the laws of the State of Louisiana (the "State") to happen, exist and be performed precedent to and in the execution and delivery of this

Supplemental Loan Agreement have happened, exist and have been performed as so required in order to make this Supplemental Loan Agreement a valid and binding agreement in accordance with its terms;

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Supplemental Loan Agreement and the parties are now prepared to execute and deliver this Supplemental Loan Agreement; and

WHEREAS, in consideration of the respective representations and agreements contained herein, the parties hereto, recognizing that under the Act this Supplemental Loan Agreement shall not in any way obligate the State or any public corporation thereof, including, without limitation, the Authority, to raise any money by taxation or use other public moneys for any purpose in relation to the Series 2013 Bonds and that neither the State nor the Authority, shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Series 2013 Bonds except from moneys received or to be received under the provisions of this Supplemental Loan Agreement and the Indenture or derived from the exercise of the rights of the Authority thereunder, agree as follows:

NOW, THEREFORE, THIS SUPPLEMENTAL LOAN AGREEMENT WITNESSETH:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. All capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the preamble hereto or in the Original Indenture or the Supplemental Indenture. In addition to words and terms elsewhere defined in this Supplemental Loan Agreement, the following words and terms as used in this Supplemental Loan Agreement shall have the following meanings, unless some other meaning is plainly intended:

“*Act*” means, collectively, the LCDA Act and the Refunding Act.

“*Additional Bonds*” shall mean bonds issued on a parity with the Series 2004B Bonds and the Series 2013 Bonds in one or more series pursuant to Section 26 of the Facilities Lease and Article V of the Indenture.

“*Authority*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Authority by said provisions shall be given by law.

“*Authorized Authority Representative*” means the person(s) at the time designated to act under this Supplemental Loan Agreement and the Indenture on behalf of the Authority by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Authority by the Chairman, Vice Chairman, Executive Director or Assistant Secretary of the Authority. Such certificate may designate an alternate or alternates.

“*Authorized Corporation Representative*” means the President or Secretary/Treasurer of the Corporation.

“*Base Rental*” shall mean the amounts referred to as such in Section 6(b) of the Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms thereof) and paid to the Corporation, but does not include Additional Rental.

“*Board*” means the Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University, and on its own behalf.

“*Board Documents*” means the Ground Lease and the Facilities Lease, as they may be amended or supplemented from time to time.

“*Bond Counsel*” means Jones Walker LLP or such other nationally recognized bond counsel as may be selected by the Authority and acceptable to the Corporation.

“*Bond Documents*” means the Indenture, the Loan Agreement, the Facilities Lease, the Ground Lease and the Mortgage, as each may be amended or supplemented from time to time.

“*Bonds*” means the Series 2004B Bonds, the Series 2013 Bonds and any Additional Bonds.

“*Bondholder*” or “*owner*”, when used with reference to a Series 2013 Bond or Bonds, means the registered owner of any Outstanding Series 2013 Bonds.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*Closing Date*” means the date on which the Series 2013 Bonds are delivered and payment therefor is received by the Authority.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“*Contaminant*” shall mean any waste, pollutant or hazardous substance, as those terms are defined in CERCLA, regulations promulgated thereunder and any applicable state statutes, and any toxic substance, solid or hazardous waste as defined in RCRA and any applicable state statutes, special waste, petroleum or petroleum-derived substance, radioactive material or waste, polychlorinated biphenyls (PCBs), asbestos, or any constituent of any such substances or wastes.

“*Continuing Disclosure Certificate*” means, with respect to the Board, the Continuing Disclosure Certificate dated as of the Closing Date, by the Board, as the same may be amended or supplemented from time to time in accordance with its terms.

“*Corporation*” means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Defeasance Obligations*” means noncallable direct obligations of the United States of America (including direct obligations of the United States of America that have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations of principal of and interest on which are unconditionally guaranteed by the United States of America.

“*Environmental Lien*” shall mean a lien in favor of any Governmental Corporation for (i) any liability under federal or state environmental laws or regulations or (ii) damages arising from, or costs

B-34

incurred by such Governmental Corporation in response to, a Release or threatened Release of a Contaminant into the environment.

“*Environmental Regulation*” shall mean any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, contaminants, chemical waste, materials or substances.

“*Facilities*” means the Facilities described in Exhibit A to this Supplemental Loan Agreement that were designed, constructed, renovated and equipped with the proceeds of the Series 2004 Bonds, including all furniture, fixtures, equipment and furnishings incidental or necessary in connection therewith, on the campus of the University.

“*Facilities Documents*” means collectively the Loan Agreement, the Ground Lease, the Facilities Lease, other contract documents and agreements, and surety bonds and instruments pertaining to the Facilities.

“*Facilities Lease*” means the Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013, each by and between the Corporation and the Board, including any additional supplements and amendments thereto and thereof.

“*Fiscal Year*” means any period of twelve consecutive months adopted by the Corporation as its Fiscal Year for financial reporting purposes, currently the period beginning on January 1 and ending on December 31 of each year.

“*Governmental Corporation*” shall mean any nation or government, any federal, state, local or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“*Ground Lease*” means the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013, each by and between the Board, as lessor, and the Corporation, as lessee, whereby the Property is leased by the Board to the Corporation, and any amendment or supplement thereto entered into from time to time in accordance with the terms thereof.

“*Hazardous Substances*” shall mean dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances as defined in Environmental Regulations, and also any urea formaldehyde, polychlorinated biphenyls, asbestos, asbestos-containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject the owner or mortgagee or any Holder to any damages, penalties or liabilities under any applicable Environmental Regulation.

“*Indenture*” means the Original Indenture, as supplemented and amended by the Supplemental Indenture, as it may be further amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

“*Interest Account*” means the Interest Account within the Series 2013 Debt Service Fund created pursuant to Article IV of the Supplemental Indenture.

“*Interest Payment Date*” or “*interest payment date*”, when used with respect to the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014.

“*LCDA Act*” means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 to 4548.16, inclusive) and all future acts supplemental thereto and amendatory thereof.

“*Liabilities and Costs*” shall mean all liabilities, obligations, responsibilities, losses, damages, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation and feasibility studies), fines, penalties, monetary sanctions and interest.

“*Loan*” means the aggregate amount of the moneys loaned to the Corporation pursuant to the Loan Agreement.

“*Loan Agreement*” means the Original Loan Agreement as supplemented by this Supplemental Loan Agreement, as the same may be further supplemented or amended.

“*Mortgage*” means the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee.

“*Officer's Certificate*” means a certificate signed by an Authorized Corporation Representative.

“*Operation and Maintenance Expenses*” means the expenses determined in accordance with generally accepted accounting principles of operating and maintaining the Project.

“*Original Indenture*” means the Trust Indenture dated as of August 1, 2004, between the Authority and the Trustee, pursuant to which the Series 2004 Bonds were issued.

“*Original Loan Agreement*” means the Loan and Assignment Agreement dated as of August 1, 2004 between the Corporation and the Authority.

“*Outstanding*” or “*outstanding*”, when used with reference to the Bonds, means all such bonds that have been authenticated and issued under the Indenture except those:

- (a) canceled by the Trustee pursuant to the Indenture;
- (b) for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of the Indenture;
- (c) that have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in the Indenture;

B-35

(d) in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in the Indenture; and

(e) for all purposes regarding consents and approvals or directions of Bondholders under the Loan Agreement or the Indenture, held by or for the Authority, the Corporation or any person controlling, controlled by or under common control with either of them.

“*Payments*” means the amounts of repayments under this Supplemental Loan Agreement with respect to the Series 2013 Bonds to be made by the Corporation as provided in Article IV of this Supplemental Loan Agreement.

“*Permitted Encumbrances*” means:

(a) any lien arising by reason of any good faith deposit with the Corporation in connection with any lease of real estate, bid or contract (other than any contract for the payment of money);

(b) any lien arising by reason of any deposit with or giving of security to any Governmental Corporation agency as a condition to the transaction of any business or the participation by the Corporation in any funds established to cover insurance risk or in connection with worker's compensation, unemployment insurance, pension plans or other social security;

(c) any right reserved to any municipality or other public authority by the terms of any franchise, grant, license or provision of law affecting any property of the Corporation and any lien on any property of the Corporation for taxes, assessments or other municipal charges so long as such charges are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(d) mechanics' and materialmen's liens in connection with any property of the Corporation so long as any amounts secured by such lien are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(e) the Supplemental Indenture, this Supplemental Loan Agreement, the Ground Lease, the Facilities Lease or the Mortgage;

(f) any lien on property received by the Corporation through a gift, grant or bequest constituting a restriction imposed by the donor, grantor or testator on such gift, grant or bequest (or the income therefrom), provided that any such lien may not be extended, renewed or modified in any way or applied to any additional property of the Corporation unless it would otherwise qualify as a Permitted Encumbrance;

(g) any security interest in personal property securing all or a portion of the purchase price thereof (provided that this Permitted Encumbrance shall not be construed to permit the incurrence of indebtedness secured by such a security interest, it being understood that any such indebtedness may be incurred only to the extent expressly permitted by the other applicable provisions of the Indenture or this Supplemental Loan Agreement);

(h) such easements, rights-of-way, servitudes, restrictions and other defects, liens and encumbrances as are determined not to materially impair the use of the Corporation's facilities for their

intended purposes or the value of such facilities, such determination to be made in a certificate of an authorized officer of the Corporation supported by an opinion of independent counsel or a report or opinion of an independent management consultant;

(i) liens incurred or assumed primarily for the acquisition or use of personal property and equipment (including equipment that is not treated as personal property under applicable state law) under the terms of installment purchase contracts, loans secured by purchase money mortgages or security interests in the financed property, lease purchase agreements or capital leases of the financed property; and

(j) any assignment, pledge, transfer, mortgage, lien, hypothecation, financing, lease or security interest in the initial furnishings, equipment and related items under the Facilities Lease as may be required to permit the financing of such furnishings, equipment and related items.

In addition, encumbrances in existence as of the date of issuance of the Series 2013 Bonds as set forth in Exhibit B hereof are hereby qualified as Permitted Encumbrances. Any such existing encumbrance may not be extended, renewed or modified in any way or applied to any additional Properties of the Corporation unless it would otherwise qualify as a Permitted Encumbrance.

“*Principal Account*” means the Principal Account within the Series 2013 Debt Service Fund created pursuant to Section 4.1 of the Supplemental Indenture.

“*Properties*” shall mean any and all rights, title and interests in and to any and all of the Corporation's property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or hereafter acquired, including its rights and interest in the Property. The term “*Properties*,” without intending to limit the generality of the foregoing, as of any particular time, shall include all buildings, structures, fixtures, furnishings, equipment and other property, movable and immovable, and all franchises, land, rights-of-way, privileges, servitudes, easements, licenses, rights and any other interests in immovable property owned, leased, subleased or otherwise acquired by the Corporation and used or useful in connection with or incident to such facilities, or used or useful by the Corporation in connection with or incident to its authorized purposes.

“*Property*” means the immovable property more particularly described in Exhibit A attached to the Ground Lease and all improvements now or thereafter located thereon, including the Facilities, together with all other rights and interest leased pursuant to Section 1.1 thereof.

“*Refunded Bonds*” means the Series 2004A Bonds.

“*Refunding Act*” means Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456).

“*Release*” shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing or dispersing into the indoor or outdoor environment or into or out of the Properties, including, but not limited to, the movement of Contaminants through or in the air, soil, surface water, groundwater or the Properties and the abandonment or discard or barrels, containers, and other open or closed receptacles containing any Contaminant.

“*Remedial Action*” shall mean actions related to (i) cleaning up, removing, treating or in any other way addressing Contaminants in the indoor or outdoor environment; (ii) preventing or minimizing the Release or threat of Release of Contaminants so that Contaminants do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; and (iii) collecting

B-36

environmental data or performing pre-remedial studies and investigations and performing operations and maintenance and post-remedial monitoring and care.

“*Requirement of Law*” shall mean any federal, state or local statute, ordinance, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, any common law doctrine or theory, and any provision or condition of any Permit or other binding determination of any Governmental Corporation.

“*Revenues*” means the Base Rental.

“*Series 2004 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

“*Series 2004 Bonds*” means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

“*Series 2004 Debt Service Reserve Fund*” shall mean the Debt Service Reserve Fund held by the Trustee pursuant to the Original Indenture.

“*Series 2004A Bonds*” means the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A.

“*Series 2004B Bonds*” means the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B.

“*Series 2013 Bond Proceeds Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Bonds*” means the \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013, and such bonds issued in exchange for those issued pursuant to the Supplemental Indenture, or in replacement for those issued pursuant to the Supplemental Indenture, which bonds have been mutilated, destroyed, lost or stolen.

“*Series 2013 Debt Service Fund*” means the fund of that name created under Section 4.1 of the Supplemental Indenture.

“*Short Term Debt*” means indebtedness with a term of one year or less, but not including accounts payable by the Corporation in the ordinary course of its operations.

“*State*” means the State of Louisiana.

“*Supplemental Indenture*” means the First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof.

“*Supplemental Loan Agreement*” this First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

“*Tax Regulatory Agreement*” means the Tax Regulatory Agreement and Arbitrage Certificate dated as of the Closing Date by and among the Authority, the Corporation, the Board and the Trustee.

“*Trust Estate*” means all the property assigned by the Authority to the Trustee pursuant to the Indenture as security for the Bonds.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under the Supplemental Indenture that may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture, initially, The Bank of New York Mellon Trust Company, N.A.

Section 1.2 Rules of Construction.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, the word “person” shall include the plural as well as the singular number, and “person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

(c) Provisions calling for the redemption of Series 2013 Bonds or the calling of Series 2013 Bonds for redemption do not mean or include the payment of Series 2013 Bonds at their stated maturity or maturities.

(d) All references in this Supplemental Loan Agreement to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this Supplemental Loan Agreement. The words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Supplemental Loan Agreement as a whole and not to any particular Article, Section or other subdivision.

ARTICLE II REPRESENTATIONS

Section 2.1 Representations by the Authority. The Authority represents and warrants as follows:

(a) The Authority is a political subdivision of the State.

(b) Under the provisions of the Act, the Authority is duly authorized to enter into, execute and deliver the Bond Documents, to undertake the transactions contemplated by the Bond Documents and to carry out its obligations hereunder and the Authority has duly authorized the execution and delivery of the Bond Documents and the Series 2013 Bonds.

(c) The Authority agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

Section 2.2 Representations of the Corporation. The Corporation makes the following representations and warranties:

(a) The Corporation is a non-profit corporation duly organized and existing in good standing under the laws of the State for the benefit of the University, is duly qualified to do business and is duly authorized and licensed to operate all of the Properties, has power to execute and deliver the Board Documents, this Supplemental Loan Agreement and the Tax Regulatory Agreement and by proper action has been duly authorized to execute and deliver the Board Documents, this Supplemental Loan Agreement and the Tax Regulatory Agreement.

(b) Each of the statements made with respect to the Corporation in the recitals of this Supplemental Loan Agreement is true, correct and complete.

(c) The Corporation is not in breach of or in default under any of the provisions of: (A) the Articles of Incorporation of the Corporation, as amended, or By-laws, as amended; (B) any judgment, decree, order, statute, rule or regulation applicable to it or to its Properties; or (C) any material provision of any material indenture, mortgage, loan agreement, financing agreement or other contract or instrument to which it is a party or by which it or any of its Properties are bound.

(d) The Corporation is not required in connection with the transactions contemplated by the Board Documents and this Supplemental Loan Agreement to obtain any consent not already obtained.

(e) The Corporation has or timely will obtain as required all authority, permits, licenses, consents and authorizations as are necessary to own, lease and operate its Properties and to carry on its business and to carry out and consummate all the transactions contemplated by the Board Documents and this Supplemental Loan Agreement.

(f) This Supplemental Loan Agreement, the Ground Lease, the Facilities Lease, and the Mortgage are legal, valid and binding obligations of the Corporation and enforceable against the Corporation in accordance with their terms, and the authorization, execution and delivery hereof and thereof and compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under: (i) any provision of any indenture, mortgage, deed of trust, loan agreement or other contract or instrument to which the Corporation is a party or by which it or any of its Properties are bound; (ii) any order, injunction or decree of any court or governmental authority; or (iii) the provisions of its charter, as amended, or by-laws, as amended.

(g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the validity or enforceability of the Board Documents or this Supplemental Loan Agreement or any other agreement or instrument to which the Corporation is a party used in consummation of the transactions contemplated hereunder.

Section 2.3 Environmental Representations.

(a) The Corporation has taken all steps necessary to determine and has determined that no Contaminants have been disposed of on the Property in any material manner and that there has been no Release of any Contaminant on, from, under or to the Property other than in compliance with applicable law.

(b) The operations or other activities of the Corporation will not result in the disposal or other Release of any Contaminant on or from the Facilities other than in all cases in compliance with applicable law.

(c) The Corporation has not received any notice or claim or information to the effect that it is or may be liable to any Person as a result of the Release or threatened Release of a Contaminant into the environment in violation of applicable law.

(d) No Environmental Lien has attached to the Property.

(e) The operations or other activities of the Corporation shall not result in the disposal or other Release of any Contaminant on or from the Facilities other than in compliance with all current and future applicable environmental laws and the Corporation shall not engage in any activities that will result in the violation of any current or future environmental laws. The Corporation shall obtain from time to time all permits required under any current or future environmental laws so that the operations of the Corporation will be in accordance with such laws.

(f) The Corporation will make available for inspection from time to time all documents and information in its possession and control regarding activities and conditions relating to the Facilities and other assets which may result in noncompliance with, or liability under, any Requirement of Law.

(g) The Corporation shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Facilities other than in accordance with all applicable Environmental Regulations, shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom other than in accordance with all applicable Environmental Regulations, shall not install or permit to be installed any underground storage tank therein or thereunder other than in accordance with all applicable Environmental Regulations, and shall comply with all Environmental Regulations which are applicable to the Facilities. The Corporation shall indemnify the Trustee and the Authority and shall hold the Trustee and the Authority harmless from, and shall reimburse the Trustee and the Authority for, any and all claims, demands, judgments, penalties, liabilities, costs, damages and expenses, including court costs and attorneys' fees directly or indirectly incurred by the Trustee or the Authority and the payee and holder of any Series 2013 Bond (prior to trial, at trial and on appeal) in any action against or involving the Trustee or the Authority, resulting from any breach of the foregoing covenants, or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from, the Facilities, whether or not the Corporation is responsible therefor, it being the intent of the Corporation that the Trustee and the Authority shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or other with respect to, Hazardous Substances by virtue of their interests, if any, in the Facilities created by the Indenture, and this Supplemental Loan Agreement or otherwise, or hereafter created, or as the result of the Trustee or the Authority or exercising any instrument, including but not limited to becoming the owner thereof by foreclosure or conveyance in lieu of foreclosure. The foregoing representations, warranties and covenants shall be deemed continuing covenants, representations and warranties for the benefit of the Trustee and the Authority and any successors and assigns thereof, including but not limited to any transferee of the title of the Trustee and any subsequent owner of the Facilities, and shall survive the satisfaction and release of the Indenture, and this Supplemental Loan Agreement, or under any other instrument, and/or any acquisition of title to the Facilities or any part thereof by the Trustee or the Authority by deed in lieu of foreclosure or otherwise. Any amount covered by the foregoing indemnification shall bear interest from the date incurred at a rate of 1.0% above the highest rate of interest borne by any Series 2013 Bond during the 365 days prior to the date on which such indemnification obligation was incurred, or, if less, the maximum rate permitted by law, and shall be payable on demand.

ARTICLE III
TERM, NATURE AND BENEFITS OF SUPPLEMENTAL LOAN AGREEMENT;
CONSTRUCTION OF FACILITIES

Section 3.1 Term. The term of this Supplemental Loan Agreement shall commence on the Closing Date for the Series 2013 Bonds, and shall terminate (unless discharged upon prepayment of all sums due hereunder by the Corporation prior thereto as hereinafter provided) on the date on which the Series 2013 Bonds and all other sums secured hereunder shall have been paid or provision for their payment shall have been made in accordance herewith. Notwithstanding the foregoing, the indemnification provisions of this Supplemental Loan Agreement shall survive the termination thereof and the defeasance of the Series 2013 Bonds under the Supplemental Indenture.

Section 3.2 Nature and Benefits.

(a) This Supplemental Loan Agreement has been executed and delivered in part to induce concurrently herewith the purchase by others of the Series 2013 Bonds, and, accordingly, all covenants and agreements on the part of the Corporation and the Authority, as set forth therein and herein, are hereby declared to be for the benefit of the Trustee for the owners from time to time of the Series 2013 Bonds. The Corporation consents and agrees to the assignment by the Authority to the Trustee under the Indenture of all of the Authority's right, title and interest (except for certain rights relating to exculpation, indemnification and payment of expenses) in, to and under this Supplemental Loan Agreement, including the interest of the Authority in and to the Facilities Lease assigned by the Corporation to the Authority hereunder, and agrees that the provisions hereof may be enforced by the Trustee under the provisions of the Supplemental Indenture. The Corporation agrees to do all things within its power in order to comply with, and to enable the Authority to comply with, all requirements and to fulfill, and to enable the Authority to fulfill, all covenants of the Supplemental Indenture and the Series 2013 Bonds.

(b) This Supplemental Loan Agreement is a limited obligation of the Corporation, payable solely from the Revenues, and this Supplemental Loan Agreement shall remain in full force and effect until the Series 2013 Bonds and the interest therein have been fully paid or otherwise provided for or discharged.

Section 3.3 Revision of Facilities Documents.

(a) The Corporation may revise the Ground Lease, the Facilities Lease and the Mortgage (collectively, the "Facilities Documents") and the description of the Facilities in Exhibit A hereto from time to time (including, without limitation, the deletion or revision of any of the facilities included in the Facilities and/or the substitution therefor of other facilities) in accordance with the Ground Lease without the consent of the Authority, the Trustee or the holders of the Bonds but, with the consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding); provided, however, that no such revision shall impair the exclusion from gross income of interest on the Bonds for Federal income tax purposes. In the case of any change that would render materially inaccurate the description of the Facilities in Exhibit A hereto, there shall be delivered to the Trustee and the Authority a revised Exhibit A containing a description of the Facilities that reflects the change in the Facilities Documents, the accuracy of which shall have been certified by an Authorized Corporation Representative.

(b) Prior to effecting any change in or revision of the Facilities Documents, the Corporation shall deliver to the Authority evidence of all governmental or regulatory approvals required therefor.

Section 3.4 No Warranty of Condition or Suitability. The Corporation acknowledges its full familiarity with the Facilities and that the Authority has no responsibility for the Facilities Documents. The Authority makes no representation or warranty, either express or implied, and offers no assurance that the proceeds of the Bonds will be sufficient to pay in full the Costs of the Facilities in accordance with the Facilities Documents.

ARTICLE IV
DISBURSEMENT OF SERIES 2013 BOND PROCEEDS; PAYMENTS;
CREDITS; OBLIGATIONS UNCONDITIONAL; PREPAYMENT

Section 4.1 Disbursement of Series 2013 Bond Proceeds. In order to provide funds to refund the Refunded Bonds, the Authority, as soon as practicable after the execution of this Supplemental Loan Agreement will proceed to issue, sell and deliver the Series 2013 Bonds to the purchasers thereof and will deposit the proceeds thereof as provided by Section 4.2 of the Supplemental Indenture with the Trustee for disbursement in accordance with the provisions of the Supplemental Indenture.

Section 4.2 Amounts Payable.

(a) Upon the terms and conditions of this Supplemental Loan Agreement, the Authority shall lend to the Corporation the proceeds of the sale of the Series 2013 Bonds. The proceeds of the Loan shall be deposited with the Trustee and applied in accordance with the Supplemental Indenture.

(b) The Corporation, for and in consideration of the issuance of the Series 2013 Bonds under the Supplemental Indenture by the Authority and the application of the proceeds thereof by the Authority as provided in the Supplemental Indenture for the benefit of the Corporation, hereby promises to repay the Loan, but solely from the Base Rental, by making the following payments (collectively called the "Payments") to or for the account of the Authority in an amount sufficient for the payment in full of all Series 2004B Bonds and Series 2013 Bonds from time to time issued under the Indenture and then outstanding, including (i) the total interest becoming due and payable on the Series 2004B Bonds and the Series 2013 Bonds to the date of payment thereof, and (ii) the total principal amount of and premium, if any, on the Series 2004B Bonds and the Series 2013 Bonds. The Payments with respect to the Series 2013 Bonds shall be payable directly to the Trustee for the account of the Authority in installments as follows:

(i) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2013 Bonds on February 1, 2014, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2013 Debt Service Fund will be sufficient to pay interest on such Series 2013 Bonds on such Interest Payment Date and thereafter, on the 25th day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest amount of the Series 2013 Bonds payable on the next Interest Payment Date;

(ii) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-ninth (1/9th) of the principal of the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the 25th day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal amount of the Series 2013 Bonds payable on the next Principal Payment Date; and

(iii) On the dates required in the Indenture, into any of the funds established in the Indenture, including, without limitation, the Series 2013 Debt Service Reserve Fund and the

Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture.

(c) Each installment of the Payments payable by the Corporation hereunder shall be in an amount which, without regard to the payments required under Section 4.02(b)(iii) above, but including moneys in the Series 2013 Debt Service Fund then available, shall be designed to provide for the timely payment in full of the principal of, premium, if any, and interest on the Series 2013 Bonds.

(d) Notwithstanding anything to the contrary contained herein, the Corporation promises that it will pay the Payments from the Base Rental, at such times and in such amounts as to assure that no default in the payment of the principal of, premium, if any, or interest on the Series 2013 Bonds shall at any time occur.

(e) Whenever the Corporation shall fail to pay the full amount of any installment of Payments payable under Sections 4.2(b)(i) through 4.2(b)(iii) above by the day of the month in which such installment is due, the Trustee shall give immediate telephonic notice thereof, promptly confirmed in writing, to an Authorized Corporation Representative.

(f) The Corporation shall also cause the Board to promptly pay when due under the Facilities Lease all amounts of Additional Rental owed by the Board thereunder, including, but not limited to, all Default or Delay Rentals and Administrative Expenses (each as defined in the Facilities Lease) owed to the Corporation, the Issuer and/or the Trustee thereunder. Each installment of the Payments payable by the Corporation hereunder shall be in an amount which, without regard to the payments required under Section 4.2 (b)(iv) above, but including moneys in the Series 2013 Debt Service Fund then available, shall be designed to provide for the timely payment in full of the principal of, premium, if any, and interest on the Series 2013 Bonds.

Section 4.3 Credits Against Payments. A credit against and reduction of the Payments shall be derived only from the following sources:

- (a) Accrued interest, if any, derived from the sale of the Series 2013 Bonds;
- (b) Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement; and
- (c) Surplus moneys (including investment earnings) contained in the Funds and Accounts held by the Trustee under the Supplemental Indenture, including the Series 2013 Debt Service Fund.

Section 4.4 Obligation to Make Payments. The obligation of the Corporation to repay the Loan by making the Payments from the Base Rental shall be absolute and unconditional and shall not be subject to, nor shall the Corporation be entitled to assert, any rights of abatement, deduction, reduction, deferment, recoupment, setoff, offset or counterclaim by the Corporation or any other person, nor shall the same be abated, abrogated, waived, diminished, postponed, delayed or otherwise modified under or by reason of any circumstance or occurrence that may arise or take place, irrespective of what statutory rights the Corporation may have to the contrary, including but without limiting the generality of the foregoing:

- (a) Any damage to or destruction of part or all of the Facilities;

(b) The taking or damaging of part or all of the Facilities or any temporary or partial use thereof by any public authority or agency in the exercise of the power of eminent domain, sequestration or otherwise;

(c) Any assignment, novation, merger, consolidation, transfer of assets, leasing or other similar transaction of, by or affecting the Corporation, except as otherwise provided in this Supplemental Loan Agreement;

(d) Any change in the tax or other laws of the United States, the State or any governmental authority;

(e) The termination of the Ground Lease or the Facilities Lease, any failure of title or any lawful or unlawful prohibition of the Corporation's use of the Facilities or any portion thereof or the interference with such use by any person or any commercial frustration of purpose or loss or revocation of any permits, licenses or other authorizations required for the operation of the Facilities; and

(f) Any failure of the Authority or the Trustee to perform and observe any agreement or covenant, expressed or implied, or any duty, liability or obligation arising out of or in connection with this Supplemental Loan Agreement, the invalidity, unenforceability or disaffirmance of any of this Supplemental Loan Agreement, the Supplemental Indenture or the Series 2013 Bonds or for any other cause similar or dissimilar to the foregoing.

(g) Furthermore, the Corporation covenants and agrees that it will remain obligated under this Supplemental Loan Agreement in accordance with its terms, and that it will not take or participate or acquiesce in any action to terminate, rescind or avoid this Supplemental Loan Agreement.

Section 4.5 Prepayment of Payments.

(a) The Corporation is obligated to prepay the Payments, in whole or in part, on any date on which the Series 2013 Bonds are subject to optional redemption pursuant to the Supplemental Indenture, including, without limitation, Section 3.4(a) thereof.

(b) The option to redeem the Series 2013 Bonds under Section 3.4(a) of the Supplemental Indenture can be exercised only upon written direction of the Corporation to the Authority as long as the Facilities Lease is outstanding. To exercise such option, the Corporation shall give written notice to the Authority and the Trustee and shall specify therein the date of such prepayment, which prepayment date shall be not fewer than thirty (30) days from the date such notice is received by the Trustee. The Authority and the Trustee shall make all necessary arrangements satisfactory to the Trustee for the redemption of Series 2013 Bonds to be redeemed under the Supplemental Indenture in accordance with the provisions thereof.

(c) The prepayment price payable by the Corporation, in the event of its exercise of the option granted in the Supplemental Indenture, or in the case of its obligation to prepay the Payments shall be the sum of the following:

(d) An amount of money that, when added to the moneys and investments held by the Trustee pursuant to the provisions of the Supplemental Indenture and available for such redemption, is sufficient to pay and discharge the Series 2013 Bonds to be redeemed (including the total principal amount of such Series 2013 Bonds and interest to accrue thereon to the date fixed for redemption of such Series

2013 Bonds to be redeemed, plus a premium equal to the amount of premium required to be paid in connection with the redemption of such Series 2013 Bonds) on the date fixed for redemption; plus

(e) An amount of money equal to the fees and expenses of the Trustee and the Authority accrued and to accrue through such redemption.

ARTICLE V NON-ARBITRAGE

Section 5.1 Covenants as to Arbitrage.

(a) The Corporation hereby agrees to prepare and provide instructions to the Trustee as to the investment and reinvestment of moneys held as part of any fund or account relating to the Series 2013 Bonds. Any such moneys so held as part of any fund or account shall be invested or reinvested by the Trustee in Permitted Investments as specified in Section 4.9 of the Supplemental Indenture. The Corporation hereby covenants that it will comply with the terms of the Tax Regulatory Agreement and that it will make such use of the proceeds of the Series 2013 Bonds and all other funds held by the Trustee under the Supplemental Indenture, regulate the investment of such proceeds and other funds and take such other and further action as may be required so that the Series 2013 Bonds will not constitute arbitrage bonds under Section 148 of the Code and the regulations promulgated thereunder. The Corporation agrees that it will comply with the terms of any letter of instructions provided to it by nationally recognized bond counsel relating to compliance with the provisions of Section 148 of the Code.

(b) If the Corporation determines that it is necessary to restrict or limit the yield on the investment of any money paid to or held by the Trustee hereunder or under the Supplemental Indenture in order to avoid classification of the Series 2013 Bonds as arbitrage bonds within the meaning of the Code, the Corporation may issue to the Trustee an instrument to such effect (along with appropriate written instructions), in which event the Trustee will take such action as is necessary to restrict or limit the yield on such moneys in accordance with such instrument and instructions.

ARTICLE VI CERTAIN COVENANTS OF THE CORPORATION

Section 6.1 General Covenants of Corporation. The Corporation further expressly represents, covenants and agrees:

(a) To comply with the terms, covenants and provisions expressed or implied, of all contracts pertaining to, affecting or involving the Facilities or the business of the Corporation, the violation or breach of which would materially and adversely affect the ability of the Corporation to fulfill its obligations hereunder;

(b) Whenever and so often as requested so to do by the Trustee or the Authority, promptly to execute and deliver or cause to be executed and delivered all such other and further instruments and documents, and to promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Authority, the Trustee and the owners of the Series 2013 Bonds all rights, interests, powers, benefits, privileges and advantages conferred upon them by this Supplemental Loan Agreement and the Supplemental Indenture;

(c) Promptly, upon the request of the Authority or the Trustee from time to time, to take such action as may be necessary or proper to remedy or cure any material defect in or cloud upon its

interest in the Facilities or any part thereof, whether now existing or hereafter developing, to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Authority and the Trustee harmless from all loss, cost, damage and expense, including attorney's fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceeding;

(d) To defend against every suit, action or proceeding at any time brought against the Authority or the Trustee based on any claim arising out of the receipt, application or disbursement of any of the Trust Estate or involving the Authority's or the Trustee's rights or obligations under this Supplemental Loan Agreement or under the Supplemental Indenture (except in the case of the Authority's or the Trustee's negligence or willful misconduct), to indemnify and hold harmless the Trustee and each officer, employee, agent, or other representative of the Trustee against claims arising out of the Trustee's responsibilities under this Supplemental Loan Agreement, the Indenture or any other document entered into by the Trustee in connection with the Bonds (except in the case of the Trustee's negligence or willful misconduct), to indemnify and hold harmless the Authority and any officer, employee, agent, servant or trustee of the Authority against claims during the term of this Supplemental Loan Agreement that may be occasioned by any cause (other than the negligence or willful misconduct of the Authority, its officers, employees, agents, servants and trustees) pertaining to the construction, use, possession, operation, service, design or management or leasing or subleasing of the Facilities and any liabilities or losses resulting from violations by the Corporation of conditions, agreements and requirements of law affecting the Facilities or the ownership, occupancy or use thereof or arising from any defect in or from the operation of the Facilities, and to protect and insulate the Authority and the members of its Board of Trustees individually from any and all financial responsibility or liability whatsoever with respect to the Facilities;

(e) At all times to maintain the Corporation's rights to carry on the business of the Corporation and to duly procure all licenses and other authorizations required for the carrying on of its business and to provide all renewals and replacements and improvements to, and extensions of, the Facilities and to diligently maintain, preserve and renew all the rights, powers, privileges, approvals, licenses and franchises required for the carrying on of its business;

(f) To fulfill its obligations and to perform punctually its duties and obligations under this Supplemental Loan Agreement and to otherwise carry on its business in accordance with the terms hereof to assure the continued proper operation, management, repair and maintenance of the Facilities;

(g) To cause compliance with all material provisions of applicable Federal, State and local laws;

(h) To pay, discharge, indemnify and save the Authority and the Trustee, except in the case of their negligence or willful misconduct, and their respective officers, agents, employees, servants and trustees harmless of, from and against any and all costs, claims, damages, expenses, liabilities, liens, obligations, penalties and taxes of every character and nature, by or on behalf of any person, firm, corporation, entity or governmental authority regardless of by whom advanced, asserted, held, imposed or made, which may be imposed upon, incurred by or asserted against the Authority and the Trustee and their respective officers, agents, employees, servants and trustees arising out of, resulting from or in any way connected with this Supplemental Loan Agreement, the Series 2013 Bonds or the Supplemental Indenture excepting willful misconduct and negligence on the part of the Authority or the Trustee or their respective officers, agents, employees, servants and trustees. The Corporation also covenants and agrees, at its expense, to pay and to indemnify and to save the foregoing harmless of, from

B-41

and against, all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand; and

(i) That it is an exempt organization under Section 501(c)(3) of the Code organized and operated exclusively for religious, charitable, scientific and educational purposes, and it shall not perform any act or enter into any agreement that shall adversely affect its ability to obtain such status as set forth in this Section.

Section 6.2 Covenants Regarding Operation and Maintenance by the Corporation of its Properties. The Corporation acknowledges and agrees that it shall pay during the term hereof all Payments and other sums required hereunder and shall cause the Board to pay, as Additional Rental under the Facilities Lease, all Operation and Maintenance Expenses. The Corporation also expressly covenants and agrees:

(a) That it shall cause the Board or the University to maintain or cause to be maintained the Facilities, and each and every portion thereof, including all additions and improvements and all facilities adjoining and/or appurtenant thereto, in good operating order and condition, reasonable and ordinary wear and tear alone excepted, and make all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, and otherwise to make all replacements, alterations, improvements and modifications to the Facilities necessary to ensure that the same at all times shall be suitable for the efficient operation thereof for the purpose intended;

(b) That the Authority, the Trustee and their agents shall have the right to inspect the Facilities at any reasonable time in a manner that will not interfere unreasonably with the Corporation's use thereof; however, any right of access to any portion of the Facilities leased to the students, faculty, staff and Permitted Sublessees, as defined in the Facilities Lease, shall be subject to their rights pursuant to the rental agreement and University policy;

(c) That it shall cause the Board to pay, as Additional Rental under the Facilities Lease, as the same respectively become due, all taxes and assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Facilities. The Corporation shall not allow any part of the Facilities to become and remain subjected to any mechanics', laborer's or materialmen's liens of record. Notwithstanding the foregoing, the Corporation may, at its own expense and in its own name, contest any such item of tax, assessment, liens or other governmental charge and, in the event of such contest, may permit the item so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority or the Trustee shall notify the Corporation that, in the opinion of nationally recognized bond counsel by nonpayment of any such items the security afforded the Series 2013 Bonds pursuant to the terms of the Supplemental Indenture or Supplemental Loan Agreement will be materially endangered, in which event such taxes, assessments or charges shall be paid forthwith. The Authority will cooperate to the extent reasonably necessary with the Corporation in any such claim, defense or contest. In the event the Corporation fails to do so, the Authority or the Trustee may, but shall be under no obligation to, pay any such item and any amounts so advanced therefor by the Authority or the Trustee shall become an additional obligation of the Corporation to the one making the advancement, which amount the Corporation agrees to pay together with interest thereon at the rate of the Trustee's prime lending rate, but solely from the Revenues;

(d) That it shall comply promptly with all material provisions of present and future laws, ordinances, orders, rules, regulations and requirements of every duly constituted governmental authority or agency and all material orders, rules and regulations of any regulatory, licensing, insurance

underwriting or rating organization or other body exercising similar functions. The Corporation shall likewise perform and comply with all duties and obligations of any kind imposed by law, covenant, condition, agreement or easement and the requirements of all policies of insurance at any time in force with respect to the Facilities;

(e) That it shall not use or allow the Facilities to be used or occupied for any unlawful purpose or in violation of any private covenant, restriction, condition, easement or agreement covering or affecting the use of the Facilities. The Corporation likewise shall not suffer any act to be done or any condition to exist in the Facilities or any article to be brought therein or thereon which may be dangerous, unless safeguarded as required by law, or which, under law, constitutes a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto; and

(f) That it shall take all action, if any, that may be required to obtain such consents, exceptions, exemptions or approvals of governmental authorities as may be necessary to permit it to comply fully with all covenants, stipulations, obligations and agreements of the Corporation contained in this Supplemental Loan Agreement.

Section 6.3 Covenant as to Encumbrances. The Corporation covenants that, so long as any of the Series 2013 Bonds remain outstanding, it shall not hereafter alienate and shall not hereafter create or suffer to be created any assignment, pledge, mortgage, hypothecation or lien on the Facilities, the Property, the Facilities Lease or any Base Rental under any circumstances, except for Permitted Encumbrances.

Section 6.4 Covenants, Representations and Warranties Relating to Federal Income Taxation.

(a) The Corporation covenants that it shall make such use of the proceeds of the Series 2013 Bonds, regulate investment of proceeds thereof and take such other and further actions as may be required by the Code and applicable temporary, proposed and final Regulations and procedures, necessary to assure that interest on the Series 2013 Bonds is excludable from gross income for Federal income tax purposes. Without limiting the generality of the foregoing covenant, the Corporation hereby covenants, represents and warrants, as follows:

(i) The Corporation will not take, fail to take or permit the commission of any action within its control necessary to be taken in order that interest on the Series 2013 Bonds will continue to be excludable from gross income for Federal income tax purposes;

(ii) The Corporation will preserve its status as an organization described in Section 501(c)(3) of the Code or corresponding provisions of prior law and to not be determined to be a private foundation as defined in Section 509 of said Code; the Corporation shall not perform any act or enter into any agreement which shall adversely affect its ability to obtain such federal income tax status; the Corporation shall not perform any act, enter into any agreement or use or permit any property of the Corporation to be used in any manner (including any unrelated trade or business) that could adversely affect the exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes pursuant to Section 103 of the Code; the Corporation shall not carry on or permit to be carried on in any property of the Corporation or permit any property of the Corporation to be used in or for any trade or business to the extent that such use of such property would adversely affect the exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes; and the Corporation is duly organized and existing as a non-profit corporation under the laws of the State and it will maintain, extend and renew its corporate existence under the laws of the State and will not do, suffer or permit any

B-42

act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted;

(iii) The Corporation will timely file a statement with the United States of America setting forth the information required pursuant to Section 149(e) of the Code;

(iv) The average term of the Series 2013 Bonds, calculated in proportion to the "issue price" (as defined in Section 1273 of the Code) of the bonds of each stated maturity of such Bonds, will not exceed 120% of the average reasonably expected economic life of the Facilities financed with the proceeds of the Series 2004 Bonds or the investment earnings thereon, weighted in proportion to the respective cost of each item comprising the Facilities financed with the proceeds of such Series 2004 Bonds. For purposes of the preceding sentence, the reasonably expected economic life of property shall be determined as of the later of (i) the date on which the Series 2004 Bonds were issued or (ii) the date on which such property was placed in service (or expected to be placed in service);

(v) The Corporation will not cause the Series 2013 Bonds to be treated as "federally guaranteed" obligations within the meaning of Section 149(b) of the Code (as may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to "federally guaranteed" obligations described in Section 149(b) of the Code);

(vi) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Series 2013 Bonds are delivered, the Corporation reasonably expects that the proceeds of the Series 2013 Bonds will not be used in a manner that would cause the Series 2013 Bonds or any portion thereof to be an "arbitrage bond" within the meaning of Section 148 of the Code;

(vii) As provided in Article V hereof, the Corporation will monitor the yield on the investment of the proceeds of the Series 2013 Bonds and moneys pledged to the repayment of the Series 2013 Bonds, other than amounts not subject to yield restriction and will restrict the yield on such investments to the extent required by the Code or the Regulations;

(viii) The Corporation (or any "related person", within the meaning of the Code) shall not, pursuant to an arrangement, formal or informal, purchase the Series 2013 Bonds in an amount related to the principal amounts advanced to the Corporation pursuant to this Supplemental Loan Agreement; and

(ix) The Corporation agrees to comply with all the terms and provisions of the Tax Regulatory Agreement executed in connection with the issuance and sale of the Series 2013 Bonds, and to perform the covenants and duties imposed on it contained therein.

(b) All officers, employees and agents of the Corporation are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Corporation as of the date the Series 2013 Bonds are delivered. In complying with the foregoing covenants, the Corporation may rely from time to time upon an opinion issued by nationally-recognized bond counsel to the effect that any action by the Corporation or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Series 2013 Bonds to be includable in gross income for Federal income tax purposes under existing law.

Section 6.5 Information. The Corporation agrees, whenever reasonably requested by the Authority or the Trustee, to provide access to inspect, examine and make copies of any and all books,

accounts and records of the Corporation and to provide and certify or cause to be provided and certified such information concerning the Properties, the Facilities, the Corporation, its finances, and other topics as the Authority or Trustee, as the case may be, considers necessary to enable counsel to the Authority or the Trustee, as the case may be, to issue its opinions and otherwise advise the Authority or the Trustee, as the case may be, as to the transaction or the legal capacity of the parties to enter into the same, or to enable it to make any reports required by law, governmental regulation or the Supplemental Indenture. When any such information is provided by the Corporation pursuant to this Section 6.5 the Corporation shall provide such information to both the Authority and the Trustee.

Section 6.6 Source of Payments. The Corporation agrees to pay or cause to be paid the payments required by this Supplemental Loan Agreement solely from the Base Rental in the manner and at the times provided by this Supplemental Loan Agreement.

Section 6.7 Insurance. The Corporation shall cause the Board to maintain insurance covering such risks and in such amounts as is required by Section 9 of the Facilities Lease. Insurance proceeds and condemnation awards shall be paid in accordance with the Indenture.

Section 6.8 Annual Reports.

(a) Annually, within one hundred eighty (180) days from the end of each Fiscal Year, the Corporation will have made a complete audit of its records and accounts by an independent certified public accountant. A signed counterpart of its audited financial statements shall be furnished to the Authority and the Trustee, and a copy thereof shall be furnished by the Corporation to any Bondholder who requests the same in writing.

(b) Any independent accountant that audits and reports on the Corporation's financial statements or provides any certificate, report or opinion under the Supplemental Indenture and the Supplemental Loan Agreement shall be one of the "big five" nationally recognized firms of independent certified public accountants (or their successors).

Section 6.9 Merger or Consolidation.

(a) The Corporation shall not merge into, or consolidate with, one or more corporations, or allow one or more of such corporations to merge into it, or sell or convey all or substantially all of its assets to any person or entity or acquire all or substantially all of the assets of any person or entity (any such merger, consolidation, sale, conveyance or acquisition being referred to as a "Merger"), unless:

(i) Any successor corporation to the Corporation (including, without limitation, any purchaser of all or substantially all the Properties of the Corporation (the "Successor Corporation") is a corporation organized and existing under the laws of the United States of America or a state thereof and shall execute and deliver to the Trustee an appropriate instrument, satisfactory to the Authority and the Trustee, containing the agreement of such successor corporation to assume, jointly and severally and in solido, the due and punctual payment of the principal of, premium, if any, and interest on all obligations of the Corporation (including, without limitation, the Series 2013 Bonds) according to their tenor and the due and punctual performance and observance of all the covenants and conditions of the Indenture and this Supplemental Loan Agreement to be kept and performed by the Corporation, accompanied by an opinion of counsel as to the validity and enforceability of such assumption (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Authority and the Trustee);

(ii) Immediately after such Merger, there would not be a default in the performance or observance of any covenant or condition of the Board Documents and the Bond Documents; and

(iii) There shall be delivered to the Authority and the Trustee an opinion of Bond Counsel (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) to the effect that under existing laws the consummation of such Merger, whether or not contemplated on the original date of delivery of the Bonds, would not adversely affect the validity of the Series 2013 Bonds or the exclusion otherwise available from gross income of interest on the Series 2013 Bonds for federal or state income tax purposes.

(b) In case of any such Merger and upon any such assumption by the Successor Corporation, the Successor Corporation shall succeed to and be substituted for its predecessor, with the same effect as if it had been named in the Supplemental Indenture and this Supplemental Loan Agreement as the Corporation.

Section 6.10 Revenue Transfer to Trustee. The Corporation hereby covenants:

(a) Upon the occurrence of an Event of Default under the Supplemental Loan Agreement, all Revenues pledged as security for the obligations of the Authority and/or the Corporation under the Indenture or Loan Agreement then on hand shall be transferred immediately to the Trustee, and all such revenues received thereafter shall immediately, upon receipt, be transferred to the Trustee, and held for application pursuant to the Indenture or the Loan Agreement solely to the payment obligations of the Authority and/or the Corporation under the Indenture or Loan Agreement and the payment of reasonable and necessary costs of operation of the Facilities.

(b) To execute all necessary documents in order to effect a filing and reinscription of all necessary financing statements in such a manner as will preserve the effect of the financing statements from the date of original filing thereof.

Section 6.11 Disposition of Assets. The Corporation covenants that, so long as any of the Series 2013 Bonds remain outstanding, it shall not hereafter alienate and shall not hereafter create or suffer to be created, except for Permitted Liens, any assignment, pledge, hypothecation or lien on any Revenues or on the Facilities.

Section 6.12 Additional Corporation Representations.

(a) Each component of the Facilities is, or when acquired, will be located within the limits of the State of Louisiana.

(b) The Project is an "Authorized Project" under La. R.S. 33:4548.3(B) and the Corporation will operate the Project as an "Authorized Project" under La. R.S. 33:4548.3(B) for so long as the Bonds remains outstanding.

(c) All material information given by the Corporation to the Authority concerning the Project, the Corporation and the Board was and is on the date of execution of this Supplemental Loan Agreement true and correct.

Section 6.13 Continuing Disclosure. The Board has provided a Continuing Disclosure Certificate and will cause the Trustee to deliver copies to the Authority of any information that the terms

of the Continuing Disclosure Certificate require to be provided or filed within five (5) days of the provision or filing of such information as required by the Continuing Disclosure Certificate.

ARTICLE VII ASSIGNMENT

Section 7.1 Assignment of this Supplemental Loan Agreement.

(a) The rights of the Corporation under this Supplemental Loan Agreement may be assigned as a whole or in part but no such assignment shall constitute a release of the Corporation from its obligations hereunder.

(b) Each transferee of the Corporation's interest in this Supplemental Loan Agreement shall assume the obligations of the Corporation hereunder to the extent of the interest assigned, sold or leased, and the Corporation shall, not more than sixty (60) nor fewer than thirty (30) days prior to the effective date of any such assignment or lease, furnish or cause to be furnished to the Authority and the Trustee a true and complete copy of each such assignment or lease.

Section 7.2 Restrictions on Transfer of Authority's Rights. The Authority agrees that it will not during the term of this Supplemental Loan Agreement sell, assign, transfer or convey its interests in this Supplemental Loan Agreement except as provided in Section 7.3.

Section 7.3 Assignment by the Authority. It is understood, agreed and acknowledged that the Authority will assign to the Trustee pursuant to the Supplemental Indenture certain of its rights, title and interests in and to this Supplemental Loan Agreement (reserving its rights, however, pursuant to sections of this Supplemental Loan Agreement providing that notices, reports and other statements be given to the Authority and also reserving its rights to reimbursement and payment of costs and expenses under Section 9.5 hereof, its rights to indemnification under Section 6.1(d) hereof and its individual and corporate rights to exemption from liability under Section 10.12 hereof), including the interest of the Authority in and to the Facilities Lease assigned by the Corporation to the Authority hereunder, and the Corporation hereby assents to such assignment and pledge.

ARTICLE VIII SUPPLEMENTS AND AMENDMENTS

Section 8.1 Amendment to Loan Agreement Without Consent. The Authority and the Corporation, with the consent of the Trustee with respect to Sections 8.1(d) and 8.1(e) hereof, with the consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding) but without the consent of the owners of any of the Bonds Outstanding under the Indenture, may enter into supplements to the Loan Agreement that shall not be inconsistent with the terms and provisions hereof for any of the purposes heretofore specifically authorized in the Loan Agreement or the Indenture, and in addition thereto for the following purposes:

(a) To cure any ambiguity or formal defect, inconsistency or omission in the Loan Agreement or to clarify matters or questions arising hereunder;

(b) To add covenants and agreements for the purpose of further securing the obligations of the Corporation hereunder;

(c) To confirm as further assurance any mortgage or pledge of additional property, revenues, securities or funds;

(d) To conform the provisions of the Loan Agreement in connection with the provisions of any supplements or amendments to the Indenture entered into pursuant to the provisions of Section 10.1 thereof;

(e) To provide any other modifications which, in the sole judgment of the Trustee, are not prejudicial to the interests of the Bondholders; or

(f) to conform the covenants and provisions of the Corporation contained herein to any different financial statement presentation required by the Financial Accounting Standard Board that is different than the presentation required as of the date of issuance of the Bonds, so long as the effect of such conformed covenants and provisions is substantially identical to the effect of the covenants and provisions as in effect on the date of issuance of the Bonds.

Section 8.2 Amendment to Loan Agreement Upon Approval of a Majority of Bondholders.

(a) The provisions of the Loan Agreement may be amended in any particular with the consent of the owners of not less than a majority of the aggregate principal amount of Bonds then Outstanding and the written consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding); provided, however, that no such amendment may be adopted that decreases the percentage of owners of the Bonds required to approve an amendment, or that permits a change in the date of payment of the principal of or interest on any Bonds or of any redemption price thereof or the rate of interest thereon without the consent of the owners of all of the aggregate principal amount of the Bonds then Outstanding.

(b) If at any time the Authority and the Corporation shall request the Trustee to consent to a proposed amendment for any of the purposes of this Section 8.2, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such proposed amendment to be given in the manner required by the Indenture to redeem the Bonds. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period as shall be prescribed by the Authority following such notice, the owners of not less than a majority in aggregate principal amount of the Bonds outstanding at the time of the execution of any such proposed amendment shall have consented to and approved the execution thereof as herein provided, no owner of any Bonds shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Corporation or the Authority from executing or approving the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such proposed amendment as in this Section permitted and provided, the Loan Agreement shall be and be deemed to be modified and amended in accordance therewith.

Section 8.3 Amendments to Facilities Lease or the Ground Lease Not Requiring Owner Consent. Subject to the terms and provisions of Section 8.5 and 8.7 of this Supplemental Loan Agreement, with the written consent of the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding), the Facilities Lease or the Ground Lease may be amended or modified in any manner not inconsistent with the terms and provisions of this Supplemental Loan Agreement, for any one or more of the following purposes: (1) to cure any ambiguity or formal defect or omission in the Facilities Lease or the Ground Lease that does not have an adverse effect upon the interest of the Owners; (2) to grant or confer upon the Authority or the Trustee, for the benefit of the Owners, any additional rights, remedies,

powers or authorities that lawfully may be granted to or conferred upon the Authority or the Trustee; (3) to more clearly identify the Facilities or to add to or subtract from the Facilities any property; (4) to amend or modify the Facilities Lease or the Ground Lease in any manner specifically required or permitted by the terms thereof, including as may be necessary to maintain the exclusion from gross income of interest on the Series 2013 Bonds for federal income tax purposes; (5) to make any amendment or modification required as a condition to obtaining any rating by Moody's or S&P with respect to the Series 2013 Bonds; and (6) to amend or modify the Facilities Lease or the Ground Lease in any other manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2013 Bonds (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding) or the Trustee and that does not involve a change described in Section 8.5 hereof.

Section 8.4 Amendments to the Facilities Lease or the Ground Lease Requiring Owner Consent. Exclusive of amendments and modifications covered by Section 8.3 hereof, the Facilities Lease or the Ground Lease may be amended or modified only as provided in Section 8.4 and 8.5 of this Supplemental Loan Agreement. Subject to the terms and provisions contained in Section 8.5 of this Supplemental Loan Agreement, the Authority and the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding), shall have the right, from time to time, anything contained in this Supplemental Loan Agreement to the contrary notwithstanding, to consent to and approve the amendment or modification of the Facilities Lease or the Ground Lease. If at any time there is a proposed amendment or modification to the Facilities Lease or the Ground Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such modification or amendment to be mailed to each of the owners of the Bonds at the address indicated on the registration books of the Trustee (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding). Such notice shall briefly set forth the nature of the proposed amendment or modification and shall state that copies thereof are on file at the principal office of the Trustee for inspection by owners of all Outstanding Bonds. If, within sixty (60) days, or such longer period as shall be prescribed by the Authority, following the mailing of such notice, the owners of the requisite percentage in aggregate principal amount of the Outstanding Bonds at the time of the execution of any such amendment or modification shall have consented to and approved the execution thereof as herein provided, no owner of any Outstanding Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or to enjoin or restrain the parties thereto from executing the same or from taking any action pursuant to the provisions hereof.

Section 8.5 Consent Required Under Certain Circumstances for Amendment of Facilities Lease or Ground Lease. Nothing contained in Sections 8.3 and 8.4 of this Supplemental Loan Agreement shall permit, or be construed as permitting, without the approval and consent of all of the owners of the Outstanding Bonds (and the Series 2004 Bond Insurer if any Series 2004B Bonds remain outstanding), (a) a reduction in the amount of, or the extension of the time for, any payment of Base Rental due under the Facilities Lease or any amount due under the Bond Insurance Policy; or (b) the termination of the Facilities Lease or the Ground Lease prior to the expiration of their stated term, other than in accordance with the provisions thereof.

Section 8.6 Opinion Required for Amendment of Facilities Lease or Ground Lease. Anything to the contrary herein notwithstanding, no amendment or modification of the Facilities Lease or the Ground Lease shall become effective unless and until the Trustee has been provided with an opinion of Bond Counsel to the effect that such amendment or modification will not have an adverse effect upon the validity of the Series 2013 Bonds and to the effect that such amendment or modification will maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes.

B-45

Section 8.7 Consent of the Board. Anything herein to the contrary notwithstanding, an amendment to the Facilities Lease or the Ground Lease under this Article VIII shall not become effective unless and until the Board shall have consented to the execution and delivery of such amendment to the Facilities Lease or the Ground Lease, unless an Event of Default has occurred and is continuing, and no amendment to the Facilities Lease or the Ground Lease shall without the prior written consent of the Board affect the date or amounts of payments required on the Series 2013 Bonds or required under the Facilities Lease.

Section 8.8 Filing. Copies of any such supplement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease shall be filed with the Trustee and delivered to the Authority and the Corporation before such supplement or amendment may become effective.

Section 8.9 Reliance on Counsel. The Authority and the Trustee shall be entitled to receive, and shall be fully protected in relying upon the opinion of counsel satisfactory to the Trustee, who may be counsel for the Authority, as conclusive evidence that any such proposed supplement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease complies with the provisions of this Supplemental Loan Agreement and the Indenture and that it is proper for the Authority and the Trustee under the provisions of this Article to execute or approve such supplement or amendment.

Section 8.10 Notice to Rating Agencies. No supplemental agreement or amendment to this Supplemental Loan Agreement, the Ground Lease or the Facilities Lease shall be executed and delivered pursuant hereto without prior written notice having been given by the Corporation to Standard & Poor's Ratings Group and Moody's of the Corporation's intention to execute such supplemental agreement or amendment thereof not fewer than fifteen (15) days in advance of the execution of said supplemental agreement or amendment. The Corporation shall provide the Series 2004 Bond Insurer (if any Series 2004B Bonds remain outstanding) a full transcript of all proceedings relative to said supplemental agreement or amendment.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Events of Default Defined. The terms "*Event of Default*" and "*Default*" under the Original Loan Agreement shall include any one or more of the following events:

(a) The Corporation shall default in the timely payment of any Payment pursuant to Article IV of this Supplemental Loan Agreement.

(b) An Event of Default shall exist under the Bond Documents, the Facilities Lease or the Tax Regulatory Agreement.

(c) The Corporation shall fail duly to perform, observe or comply with any other covenant, condition or agreement on its part under this Supplemental Loan Agreement (other than a failure to make any payment required under this Supplemental Loan Agreement), and such failure continues for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Corporation by the Trustee; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such thirty (30) day period, no Event of Default shall be deemed to have occurred or to exist if, and so long as the Corporation shall commence such performance, observation or compliance within such period and shall diligently and continuously prosecute the same to completion.

(d) The entry of a decree or order by a court having jurisdiction in the premises adjudging the Corporation a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Corporation under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The institution by the Corporation of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the United States Bankruptcy Code or any other similar applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

Section 9.2 Remedies. Whenever any Event of Default under the Original Loan Agreement shall have happened and be continuing, the Authority and the Trustee may take any of the remedial steps provided to such parties in the Original Loan Agreement and the Indenture; provided that, if all installments of Payments under the Original Loan Agreement are declared to be immediately due and payable, then all Payments due under Section 4.2 hereof shall also be immediately due and payable.

Section 9.3 No Remedy Exclusive; Selective Enforcement. No remedy conferred upon or reserved to the Authority or the Trustee by this Supplemental Loan Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Supplemental Loan Agreement and as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any event of nonperformance shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. In the event the Authority or the Trustee shall elect to selectively and successively enforce its rights under this Supplemental Loan Agreement, such action shall not be deemed a waiver or discharge of any other lien, encumbrance or security interest securing payment of the indebtedness secured hereby or thereby until such time that it shall have been paid in full all sums secured hereunder and thereunder. The foreclosure of any lien provided pursuant to this Supplemental Loan Agreement without the simultaneous foreclosure of all such liens shall not merge the liens granted which are not foreclosed with any interest which the Authority or the Trustee might obtain as a result of such selective and successive foreclosure.

Section 9.4 Indenture Overriding. All of the provisions of this Article are subject to and subordinate to the rights and remedies of the holders of the Bonds and the Trustee pursuant to the Indenture. The Authority shall have no power to waive any event of default hereunder, except with respect to indemnification and its administrative payments, without the consent of the Trustee to such waiver.

Section 9.5 Loan Agreement to Pay Attorneys' Fees and Expenses. In any Event of Default, if the Authority or the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Corporation herein contained, whether or not such suit is commenced, the Corporation

agrees that it will on demand therefor pay to the Authority or the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Authority or the Trustee.

Section 9.6 Authority and Corporation to Give Notice of Default. The Authority and the Corporation severally covenant that they will, at the expense of the Corporation, promptly give to the Trustee written notice of any Event of Default under this Supplemental Loan Agreement of which they shall have actual knowledge or written notice, but the Authority shall not be liable (except as provided in Section 6.1(d) hereof) for failing to give such notice.

Section 9.7 Correlative Waivers. If an Event of Default under Section 8.2 of the Indenture shall be cured or waived and any remedial action by the Trustee rescinded, any correlative Default under this Supplemental Loan Agreement shall be deemed to have been cured or waived.

ARTICLE X
MISCELLANEOUS

Section 10.1 References to the Series 2013 Bonds Ineffective After Series 2013 Bonds Paid. Upon payment of the Series 2013 Bonds, all references in this Supplemental Loan Agreement to the Bondholders shall be ineffective and the Authority and any holder of the Series 2013 Bonds shall not thereafter have any rights hereunder, excepting those that shall have theretofore vested.

Section 10.2 Amounts Remaining in Funds. It is agreed by the parties hereto that any amounts remaining in the Funds and Accounts established under the Supplemental Indenture upon the expiration or sooner cancellation or termination of this Supplemental Loan Agreement, as provided herein, after payment in full of all Series 2013 Bonds then outstanding under the Indenture (or provisions for payment thereof having been made in accordance with the provisions of the Indenture), and the fees, charges and expenses of the Authority and the Trustee and all other amounts required to be paid hereunder and under the Indenture with respect to the Series 2013 Bonds (other than amounts payable as arbitrage rebate pursuant to the Code), shall belong to and be paid to the Corporation.

Section 10.3 Notices.

(a) All notices, demands and requests to be given or made hereunder to or by the Authority, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

If to the Authority:

Louisiana Local Government Environmental Facilities and
Community Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809
Attention: Executive Director

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: President

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

(b) Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The Corporation, the Authority and the Trustee may, by notice given hereunder, designate any further or different addresses, counsel or counsel addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 10.4 Binding Effect. This Supplemental Loan Agreement shall inure to the benefit and shall be binding upon the Authority, the Corporation and their respective successors and assigns, subject to the limitation that any obligation of the Authority created by or arising out of this Supplemental Loan Agreement shall not be a general debt of the Authority, but shall be payable solely out of the proceeds derived from this Supplemental Loan Agreement and the sale of the Series 2013 Bonds under the Indenture.

Section 10.5 Performance on Legal Holidays. In any case where the date of maturity of interest on or principal of the Series 2013 Bonds or the date fixed for redemption or purchase of any Series 2013 Bonds or the date fixed for the giving of notice or the taking of any action under the Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the giving of such notice or the taking of such action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

Section 10.6 Execution in Counterparts. This Supplemental Loan Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument; provided, however, that upon the assignment and pledge to the Trustee provided for in Section 3.2 hereof, the Authority shall deliver to the Trustee an executed counterpart of this Supplemental Loan Agreement which executed counterpart shall be deemed to be collateral of which the Trustee has taken possession and no other counterpart shall be deemed to be collateral for any other purpose.

Section 10.7 Applicable Law. This Supplemental Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 10.8 Severability. If any clause, provision or Section of this Supplemental Loan Agreement be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Supplemental Loan Agreement shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Supplemental Loan Agreement be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Authority or the Corporation, as the case may be, only to the extent permitted by law.

Section 10.9 Captions. The table of contents, captions or headings of the several articles and sections of this Supplemental Loan Agreement are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Supplemental Loan Agreement.

Section 10.10 Consents and Approvals. Whenever the consent or approval of the Authority, the Corporation or the Trustee shall be required under the provisions of this Supplemental Loan Agreement, such consent or approval shall not be unreasonably withheld or delayed.

Section 10.11 Third Party Beneficiaries. It is specifically agreed between the parties executing this Supplemental Loan Agreement that it is not intended by any of the provisions of any part of this Supplemental Loan Agreement to make the public or any member thereof, other than the Trustee and except as expressly provided herein or as contemplated in the Indenture, a third party beneficiary hereunder, or to authorize anyone not a party to this Supplemental Loan Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Supplemental Loan Agreement. The duties, obligations and responsibilities, if any, of the parties to this Supplemental Loan Agreement with respect to third parties shall remain as imposed by law.

Section 10.12 Exculpatory Provision.

(a) In the exercise of the powers of the Authority the Trustee and their respective trustees, directors, officers, employees and agents (each, an "*Indemnified Party*") under this Supplemental Loan Agreement, each Indemnified Party shall not be accountable or liable to the Corporation (i) for any actions taken or omitted by such Indemnified Party in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them (other than the negligence or willful misconduct of such Indemnified Party), or (ii) for any claims based on this Supplemental Loan Agreement against any such Indemnified Party, all such liability, if any, being expressly waived by the Corporation by the execution of this Supplemental Loan Agreement. The Corporation shall indemnify and hold harmless each Indemnified Party against any claim or liability based on the foregoing asserted by any other person.

(b) In case any action shall be brought against an Indemnified Party in respect of which indemnity may be sought against the Corporation, such Indemnified Party shall promptly notify the Corporation in writing and the Corporation shall assume the defense thereof, including the employment of counsel of the Corporation's choice and the payment of all expenses. Such Indemnified Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party unless the employment of such counsel has been authorized by the Corporation. The Corporation shall not be liable for any settlement of any such action without its consent but if any such action is settled with the consent of the Corporation or if there be final judgment for the plaintiff of any such action, the Corporation agrees to indemnify and hold harmless such Indemnified Party from and against any loss or liability by reason of such settlement or judgment.

(c) No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligations, covenant or agreement contained in this Supplemental Loan Agreement against any past, present or future officer, director, member, employee or agent of the Authority, or of any successor public corporation, as such, either directly or through the Authority or any successor public corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees, or agents as such is hereby expressly

waived and released as a condition of and consideration for the execution of this Supplemental Loan Agreement and the issuance of such Bonds.

Section 10.13 Accounts and Audits. The Authority shall cause the Trustee to keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Bonds. The Authority shall have access to the Corporation's books and records with respect to the Facilities upon written request after reasonable notice.

Section 10.14 Date of Supplemental Loan Agreement. The dating of this Supplemental Loan Agreement as of November 1, 2013 is intended as and for the convenient identification of this Supplemental Loan Agreement and is not intended to indicate that this Supplemental Loan Agreement was executed and delivered on said date, this Supplemental Loan Agreement being executed on the dates of the respective acknowledgments hereto attached.

Section 10.15 Reliance. It is expressly understood and agreed by the parties to this Supplemental Loan Agreement that:

(a) the Authority may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Authority by the Trustee, any Bondholder or the Corporation as to the existence of a fact or state of affairs required under this Supplemental Loan Agreement to be noticed by the Authority;

(b) the Authority shall not be under any obligation to perform any recordkeeping or to provide any legal service, it being understood that such services shall be performed or caused to be performed by the Trustee or the Corporation; and

(c) none of the provisions of this Supplemental Loan Agreement or the Mortgage shall require the Authority to expend or risk its own funds (apart from the proceeds of Bonds issued under the Indenture) or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights under this Supplemental Loan Agreement or the Mortgage unless it first shall have been adequately indemnified to its satisfaction against the costs, expenses and liabilities which may be incurred by taking any such action.

Section 10.16 Authority Not Liable. Notwithstanding any other provision of this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Loan Agreement or the Tax Regulatory Agreement, (a) the Authority shall not be required to take action under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement or the Tax Regulatory Agreement unless the Authority (i) is requested in writing by an appropriate Person to take such action; and (ii) is assured of payment of or reimbursement for any expense incurred in taking such action, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Authority nor any official, officer, member, director, agent, employee or servant of the Authority shall be liable to the Corporation, the Trustee or any other Person for any action taken by the Authority or by its officials, officers, members, directors, agents, employees, or servants, or for any failure to take action under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement, or the Tax Regulatory Agreement. In acting or in refraining from acting under this Supplemental Loan Agreement, the Indenture, the Mortgage, the Continuing Disclosure Certificate, the Bond Purchase Agreement or the Tax Regulatory Agreement, the Authority may conclusively rely on the advice of its counsel.

Section 10.17 No Violations of Law. Any other term or provision in this Supplemental Loan Agreement to the contrary notwithstanding:

(a) In no event shall this Supplemental Loan Agreement be construed as:

(i) depriving the Authority of any right or privilege; or

(ii) requiring the Authority or any member, agent, employee, representative or advisor of the Authority to take or omit to take, or to permit or suffer the taking of, any action by itself or by anyone else;

(iii) which deprivation or requirement would violate, or result in the Authority's being in violation of the Act or any other applicable state or federal law; and

(b) At no time and in no event with the Corporation permit, suffer or allow any of the proceeds of the Loan Agreement or the Bonds to be transferred to any Person in violation of, or to be used in any manner that is prohibited by, the Act or any other state or federal law.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority has caused this Supplemental Loan Agreement to be executed by its Executive Director and has caused the seal of the Authority to be affixed hereto and attested by its Assistant Secretary and the Corporation has caused this Supplemental Loan Agreement to be executed in its behalf by its President, all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: _____
Steve A. Dicharry, Executive Director

ATTEST:

By: _____
Linda U. Martin, Assistant Secretary

[SEAL]

UNIVERSITY FACILITIES, INC.

By: _____
Joseph Morris, Executive Director

B-49

EXHIBIT A

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

B-50

EXHIBIT B
PERMITTED ENCUMBRANCES

[None].

B-51

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF
THIRD SUPPLEMENTAL
GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessor)

and

UNIVERSITY FACILITIES, INC.
(as Lessee)

Dated as of November 1, 2013

in connection with:

\$40,910,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

AND

\$5,545,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| ARTICLE I LEASE OF PROPERTY - TERMS OF GROUND LEASE | 3 |
| Section 1.01 <u>Lease of Land</u> | 3 |
| Section 1.02 <u>Habendum</u> | 3 |
| Section 1.03 <u>Term</u> | 3 |
| ARTICLE II DEFINITIONS | 3 |
| Section 2.01 <u>Definitions</u> | 3 |
| ARTICLE III RENT | 7 |
| Section 3.01 <u>Rent</u> | 7 |
| Section 3.02 <u>Additional Obligations</u> | 7 |
| ARTICLE IV USE OF LAND..... | 8 |
| Section 4.01 <u>Purpose of Lease</u> | 8 |
| Section 4.02 <u>Benefit of the Board and the University</u> | 8 |
| Section 4.03 <u>Data and Voice Communication Systems</u> | 8 |
| Section 4.04 <u>Compliance with Statutory Requirements</u> | 8 |
| ARTICLE V RESERVED | 8 |
| ARTICLE VI ENCUMBRANCES..... | 8 |
| Section 6.01 <u>Mortgage of Leasehold or the Facilities</u> | 8 |
| ARTICLE VII MAINTENANCE AND REPAIR | 9 |
| Section 7.01 <u>Maintenance, Repairs and Renovations</u> | 9 |
| ARTICLE VIII CERTAIN LIENS PROHIBITED | 9 |
| Section 8.01 <u>No Mechanics' Liens</u> | 9 |
| Section 8.02 <u>Release of Recorded Liens</u> | 9 |
| Section 8.03 <u>Memorandum of Recitals</u> | 9 |
| ARTICLE IX OPERATION AND MANAGEMENT OF FACILITIES | 10 |
| Section 9.01 <u>Management of Facilities and the Stadium Expansion</u> | 10 |
| Section 9.02 <u>Books and Records</u> | 10 |
| Section 9.03 <u>Audits</u> | 10 |
| ARTICLE X INDEMNIFICATION | 10 |
| Section 10.17 <u>Indemnification by the Corporation</u> | 10 |
| Section 10.18 <u>Contributory Acts</u> | 10 |
| ARTICLE XI TERMINATION, DEFAULT AND REMEDIES | 10 |
| Section 11.01 <u>Events Of Default</u> | 10 |
| Section 11.02 <u>The Board's Rights Upon Default</u> | 11 |
| Section 11.03 <u>Termination of Right of Occupancy</u> | 11 |
| Section 11.04 <u>Rights of The Board Cumulative</u> | 12 |
| ARTICLE XII TITLE TO THE FACILITIES..... | 12 |
| Section 12.01 <u>Title to Facilities</u> | 12 |
| Section 12.02 <u>The Board's Option to Require Demolition</u> | 12 |
| Section 12.03 <u>Termination of Facilities Lease</u> | 12 |
| Section 12.04 <u>Insurance Proceeds</u> | 12 |
| Section 12.05 <u>Condemnation, Casualty and Other Damage</u> | 13 |
| ARTICLE XIII CONDEMNATION | 13 |
| Section 13.01 <u>Condemnation</u> | 13 |
| Section 13.02 <u>Partial Condemnation if Facilities Lease is No Longer in Effect</u> | 13 |
| Section 13.03 <u>Partial or Total Condemnation if Facilities Lease is in Effect</u> | 13 |
| Section 13.04 <u>Payment of Awards - If Facilities Lease is in Effect</u> | 13 |
| Section 13.05 <u>Payment of Awards - If Facilities Lease is not in Effect</u> | 14 |
| Section 13.06 <u>Bond Documents Control</u> | 14 |

| | |
|--|----|
| ARTICLE XIV ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE CORPORATION'S INTEREST..... | 14 |
| Section 14.01 <u>Assignment of Leasehold Interest</u> | 14 |
| Section 14.02 <u>Subletting</u> | 14 |
| Section 14.03 <u>Transfers of the Corporation's Interest</u> | 14 |
| ARTICLE XV COMPLIANCE CERTIFICATES | 14 |
| Section 15.01 <u>The Corporation's Compliance</u> | 14 |
| Section 15.02 <u>The Board's Compliance</u> | 15 |
| ARTICLE XVI TAXES AND LICENSES | 15 |
| Section 16.01 <u>Payment of Taxes</u> | 15 |
| Section 16.02 <u>Contested Tax Payments</u> | 15 |
| ARTICLE XVII FORCE MAJEURE | 15 |
| Section 17.01 <u>Discontinuance During Force Majeure</u> | 15 |
| ARTICLE XVIII MISCELLANEOUS..... | 16 |
| Section 18.01 <u>Nondiscrimination, Employment and Wages</u> | 16 |
| Section 18.02 <u>Notices</u> | 16 |
| Section 18.03 <u>Relationship of Parties</u> | 17 |
| Section 18.04 <u>Memorandum of Lease</u> | 17 |
| Section 18.05 <u>Attorney's Fees</u> | 17 |
| Section 18.06 <u>Louisiana Law to Apply</u> | 17 |
| Section 18.07 <u>Warranty of Peaceful Possession</u> | 17 |
| Section 18.08 <u>Curative Matters</u> | 18 |
| Section 18.09 <u>Nonwaiver</u> | 18 |
| Section 18.10 <u>Terminology</u> | 18 |
| Section 18.11 <u>Counterparts</u> | 18 |
| Section 18.12 <u>Severability</u> | 18 |
| Section 18.13 <u>Authorization</u> | 18 |
| Section 18.14 <u>Ancillary Agreements</u> | 18 |
| Section 18.15 <u>Amendment</u> | 19 |
| Section 18.16 <u>Successors and Assigns</u> | 19 |
| Section 18.17 <u>Entire Agreement</u> | 19 |

EXHIBIT A – LAND DESCRIPTION
EXHIBIT B – PERMITTED ENCUMBRANCES
EXHIBIT C – MEMORANDUM OF GROUND LEASE
EXHIBIT D – DESCRIPTION OF THE FACILITIES

THIRD SUPPLEMENTAL
GROUND AND BUILDINGS LEASE AGREEMENT

This THIRD SUPPLEMENTAL GROUND AND BUILDINGS LEASE AGREEMENT (together with any amendment hereto or supplement hereof, the "Ground Lease") dated as of November 1, 2013, is entered into by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "Board"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "University"), which Board is represented herein by John L. Crain, President of the University and Authorized Board Representative, duly authorized, and UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by Joseph Morris, its Executive Director (the "Corporation") and supplements and amends that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (collectively, the "Prior Ground Lease").

WITNESSETH

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private non-profit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University (the "Campus") provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Board;

WHEREAS, in order to further these functions of the Board, by development of housing and related facilities for students, faculty and staff on the Campus, the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such student housing and related facilities and leasing such facilities back to the Board;

WHEREAS, pursuant to the Prior Ground Lease, the Board leased certain property (the "Property") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further amended by that certain Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (collectively, the "Prior Facilities Lease") each between the Corporation and the Board;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "Trustee"), dated as of August 1, 2004 (the "Series 2004 Indenture"), the Issuer issued its

\$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds" and, together with the Series 2004A Bonds, the "Series 2004 Bonds");

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Series 2004 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "Series 2004 Facilities"), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a Debt Service Reserve Fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the "Series 2007 Indenture"), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "Series 2007A Bonds") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the "Series 2007B Bonds" and, together with the Series 2007A Bonds, the "Series 2007 Bonds");

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the "Series 2007 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Series 2007 Facilities (as defined herein), (ii) fund a deposit to the Debt Service Reserve Fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 18.15 of the Prior Ground Lease, Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 of the Series 2007 Loan Agreement provide that the Prior Ground Lease may be amended with the consent of the Series 2004 Bond Insurer (as hereinafter defined) in order to amend or modify the Prior Ground Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Series 2004 Bond Insurer or the Trustee; and

WHEREAS, the Issuer is issuing its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the "Series 2013 Bonds"), pursuant to a First Supplemental Trust Indenture dated as of November 1, 2013 between the Issuer and the Trustee, supplementing and amending the Series 2004 Indenture, in order to refund the Series 2004 Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Ground Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE I
LEASE OF PROPERTY - TERMS OF GROUND LEASE

Section 1.01 Lease of Land. The Board does hereby let, demise, and rent unto the Corporation, and the Corporation does hereby rent and lease from the Board, the real property (the "Land") more particularly described on Exhibit A attached hereto, together with all existing and future improvements, alterations, additions and attached fixtures located or to be located on the Land (the "Facilities") and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Land for vehicular and pedestrian ingress and egress. Notwithstanding Article VIII of the Loan Agreement, the Board shall have the right to release from this Ground Lease, after demolition has been completed, any portion of the Land upon which existing facilities were demolished, if no portion of the Facilities is thereafter constructed thereon. The Corporation, by execution of this Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on Exhibit B attached hereto.

Section 1.02 Habendum. To have and to hold the Land and the Facilities, together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Corporation, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

Section 1.03 Term. Unless sooner terminated as herein provided, this Ground Lease shall continue and remain in full force and effect for a term commencing on the effective date hereof and ending on the earlier of (i) August 1, 2047, or (ii) the date on which any of the following events occur: (a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture, or (b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation's interest in the Series 2004 Facilities and the Series 2007 Facilities pursuant to the Option.

ARTICLE II
DEFINITIONS

Section 2.01 Definitions. In addition to such other defined terms as may be set forth in this Ground Lease, the following terms shall have the following meanings:

"*Affiliate*" means, with respect to a designated Person under this Ground Lease, any other Person that, directly or indirectly, controls is controlled by, or is under common control with such designated Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person.

"*Agreement*" means collectively, the Series 2004 Agreement and the Series 2007 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

"*Applicable Laws*" means all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority which are applicable to the parties performing their obligations under this Ground Lease.

"*Award*" means any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

"*Board*" means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University.

"*Board Representative*" means the Person or Persons designated by the Board in writing to serve as the Board's representative(s) in exercising the Board's rights and performing the Board's obligations under this Ground Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Business and Finance, or his or her designee, the President or the Vice President for Administration and Finance of the University or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

"*Board's Interest*" means the Board's ownership interest in and to the Land and the Facilities.

"*Bond Documents*" shall have the meaning set forth in Section 3.12 of the Indenture.

"*Bonds*" shall mean the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds, any Additional Bonds issued pursuant to the Indenture and Bonds issued to refund any of the Series 2004 Bonds, Series 2007 Bonds or Series 2013 Bonds.

"*Business Day*" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"*Campus*" means the campus of the University.

"*Commencement Date*" means the effective date of this Ground Lease, which is November __, 2013.

"*Corporation*" means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

"*Event of Default*" means any matter identified as an event of default under Section 11.01 hereof.

"*Existing Facilities Lease*" means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation.

"*Existing Ground Lease*" means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation.

"*Expiration Date*" means the expiration date of this Ground Lease as set forth in Section 1.03 hereof.

"*Facilities*" means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached hereto, as amended and supplemented in accordance with the provisions of the Agreement, which were renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds, respectively.

"*Facilities Lease*" means the Existing Facilities Lease as supplemented and amended by the Third Supplemental Facilities Lease, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

"*Force Majeure*" means any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, act of terrorism, war, blockade, insurrection, riot, or civil disturbance; (b) labor dispute, strike, work slowdown, or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of the Corporation; (d) adoption of or change in any Applicable Laws after the date of execution of this Ground Lease; (e) any actions by the Board which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of the Corporation.

"*Governmental Authority*" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"*Ground Lease*" means the Existing Ground Lease, as supplemented and amended by this Third Supplemental Ground Lease.

"*Indenture*" means, collectively, the Series 2004 Indenture, the Series 2007 Indenture and the Series 2013 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

"*Issuer*" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"*Land*" means the real property more particularly described on Exhibit A attached hereto upon which certain existing facilities have been demolished and upon which the Facilities were renovated, constructed and located.

"*Mortgage*" shall have the meaning set forth in the Agreement.

"*Permitted Sublessees*" means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

"*Permitted Use*" means (i) with respect to the Series 2004 Facilities, the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing and (ii) with respect to the Series 2007 Facilities, the operation of the Series 2007 Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

"*Person*" means an individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.

"*Rent*" means the annual rent paid by the Corporation as set forth in Section 3.01 hereof.

"*Series 2004 Agreement*" means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, as supplemented and amended by the Series 2013 Agreement, including any additional amendments and supplements thereof and thereto as permitted thereunder.

"*Series 2004 Bond Insurer*" means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

"*Series 2004 Bonds*" means the Issuer's \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*").

"*Series 2004 Facilities*" means the student housing and related facilities described in Exhibit D hereto, as Phase I, Phase II and Phase III, as amended and supplemented in accordance with the provisions of the Agreement.

"*Series 2004 Indenture*" means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, as supplemented and amended by the Series 2013 Indenture, including any additional amendments and supplements thereof and thereto as permitted thereunder.

"*Series 2007 Agreement*" means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

"*Series 2007 Bonds*" means, collectively, the Issuer's \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "*Series 2007A Bonds*") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

"*Series 2007 Facilities*" means the parking and related facilities described as Phase IV in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

"*Series 2007 Indenture*" means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder.

"*Series 2013 Agreement*" means the First Supplemental Loan and Assignment Agreement dated as of November 1, 2013, between the Corporation and the Issuer, supplementing and amending the Series 2004 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

"Series 2013 Bonds" means the Issuer's \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

"Series 2013 Indenture" means that certain First Supplemental Trust Indenture by and between the Trustee and the Issuer dated as of November 1, 2013, supplementing and amending the Series 2004 Indenture, including any amendment and supplements thereof and thereto as permitted thereunder.

"Stadium Expansion" shall mean the Football Stadium Improvements described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement, which improvements were not financed with Bond proceeds.

"Taking" means the actual or constructive condemnation, or the actual or constructive acquisition by condemnation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

"Term" means the term of this lease as set forth in Section 1.03 hereof.

"Third Supplemental Facilities Lease" means that certain Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 by and between the Corporation and the Board.

"Third Supplemental Ground Lease" means this Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 by and between the Board and the Corporation.

"Trustee" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture.

"University" means Southeastern Louisiana University in Hammond, Louisiana.

ARTICLE III RENT

Section 3.01 Rent. Commencing on the Commencement Date and continuing throughout the Term, the Corporation shall pay to the Board, at the address set forth in Section 18.02 hereof or such other place as the Board may designate from time to time in writing, as annual rent for the Land (the "Rent"), the sum of \$1.00 per year. Rent shall be due and payable annually in advance, with the first such payment of Rent being due on the Commencement Date and a like installment due on each anniversary thereafter during the Term.

Section 3.02 Additional Obligations. As further consideration for the entering into of this Ground Lease by the Board, the Corporation agrees to perform its construction obligations as set forth in Article Five herein, and to execute and perform its obligations under the Facilities Lease and all other documents contemplated by and ancillary to this Ground Lease and the Facilities Lease. Title to all improvements constructed or placed in service on the Land by the Corporation shall vest in the Board and the cost thereof incurred by the Corporation shall constitute additional rent hereunder. In addition, the Corporation agrees to pay the costs of demolishing, developing and/or constructing the Facilities and the Stadium Expansion pursuant to the terms of this Ground Lease and the Facilities Lease, title to which shall vest in the Board, which payment obligation shall constitute additional rent hereunder.

ARTICLE IV USE OF LAND

Section 4.01 Purpose of Lease. The Corporation enters into this Ground Lease for the purpose of demolishing certain existing facilities and renovating, developing and constructing the Facilities and the Stadium Expansion and leasing the Facilities and the Stadium Expansion to the Board in accordance with the Facilities Lease. Except as otherwise provided herein, the Facilities and the Stadium Expansion are to be used for no other purpose.

Section 4.02 Benefit of the Board and the University. The Board shall own the Facilities and the Stadium Expansion subject to the Corporation's rights under this Ground Lease and, for so long as the Facilities Lease remains in full force and effect, the Board shall lease back the Facilities from the Corporation for the support, maintenance and benefit of the Board and the University. The Facilities and the Stadium Expansion shall be owned and leased solely for a public purpose related to the performance of the duties and functions of the Board and the University. Under no circumstances shall the Facilities and the Stadium Expansion be used for any purpose other than the Permitted Use.

Section 4.03 Data and Voice Communication Systems. The University, at its expense, agrees to provide to the Facilities and the Stadium Expansion appropriate cabling to tie its computer system into the Facilities and the Stadium Expansion. The University shall provide the Facilities and the Stadium Expansion access to its computer system at no charge to the Corporation.

Section 4.04 Compliance with Statutory Requirements. Section 3361, et. seq. of Title 17 of the Louisiana Revised Statutes prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Ground Lease, the Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation:

(a) the waiver by written consent of the formulation and adoption of rules, regulations and requirements, if any, relative to the erection, construction and maintenance of the Facilities and the Stadium Expansion referenced in Section 3362 A of Title 17 of the Louisiana Revised Statutes, other than those set forth in this Ground Lease or specifically referenced in this Ground Lease;

(b) the waiver by written consent of the Board's right to require removal of the Facilities and the Stadium Expansion referenced in Section 3362 B of Title 17 of the Louisiana Revised Statutes, except as set forth in this Ground Lease; and

(c) the waiver by written consent of the Board's right to adopt such rules or regulations as it deems necessary or desirable relative to the conduct and social activities of people in structures erected on the leased grounds referenced in Section 3364 of Title 17 of the Louisiana Revised Statutes, except as may be specified in this Ground Lease.

ARTICLE V RESERVED

ARTICLE VI ENCUMBRANCES

Section 6.01 Mortgage of Leasehold or the Facilities. Except for the Mortgage, the Corporation shall not mortgage, lien or grant a security interest in the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion or any other right of the Corporation hereunder without the prior written consent of the Board.

ARTICLE VII
MAINTENANCE AND REPAIR

Section 7.01 Maintenance, Repairs and Renovations.

(a) For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall be responsible for maintaining and repairing the Facilities and the Stadium Expansion in accordance with Section 7 of the Facilities Lease.

(b) In the event that the Facilities Lease has been terminated, the Corporation will: (1) maintain or cause to be maintained the Facilities and the Stadium Expansion, and will keep the Facilities and the Stadium Expansion in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; and (2) make from time to time any additions, modifications or improvements to the Facilities and the Stadium Expansion the Corporation may deem desirable for its business purposes that do not materially impair the effective use of the Facilities and the Stadium Expansion, provided that all such additions, modifications and improvements will become a part of the Facilities and the Stadium Expansion.

ARTICLE VIII
CERTAIN LIENS PROHIBITED

Section 8.01 No Mechanics' Liens. Except as permitted in Section 8.02 hereof the Corporation shall not suffer or permit any mechanics' liens or other liens to be enforced against the Board's ownership interest in the Land, the Facilities or the Stadium Expansion nor against the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the Land, the Facilities or the Stadium Expansion or any part thereof through or under the Corporation.

Section 8.02 Release of Recorded Liens. If any such mechanics' liens or materialmen's liens shall be recorded against the Land, the Facilities or the Stadium Expansion, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case the Corporation hereby agrees to indemnify and save the Board harmless from all liability for damages occasioned thereby and shall in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the Board reasonably should consider the Board's interest in the Land, the Facilities or the Stadium Expansion endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Board within thirty (30) days after such notice, then the Board, at the Board's sole discretion, may discharge such liens and recover from the Corporation immediately as additional Rent under this Ground Lease the amounts paid, with interest thereon from the date paid by the Board until repaid by the Corporation at the rate of ten percent (10%) per annum.

Section 8.03 Memorandum of Recitals. The memorandum of lease to be filed pursuant to Section 18.04 of this Ground Lease shall state that any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

ARTICLE IX
OPERATION AND MANAGEMENT OF FACILITIES

Section 9.01 Management of Facilities and the Stadium Expansion. For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall operate and manage the Facilities and the Stadium Expansion or cause the Facilities and the Stadium Expansion to be operated and managed in accordance with the Section 7 of the Facilities Lease.

Section 9.02 Books and Records. The Corporation shall keep, or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Corporation.

Section 9.03 Audits. The Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Corporation. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the Board, by the Louisiana Legislative Auditor or by independent auditors retained by the Board desiring to conduct such audit, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Corporation.

ARTICLE X
INDEMNIFICATION

Section 10.17 Indemnification by the Corporation. Excluding the acts or omissions of the Board, its employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Board, its agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with the Corporation's construction of the Facilities and the Stadium Expansion. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation and the Board shall use the same counsel if such counsel is approved by the Board, which approval shall not be unreasonably withheld or delayed. If the Board does not approve such counsel then the Board may retain independent counsel at the Board's sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Board shall in no way be responsible therefor.

Section 10.18 Contributory Acts. Whenever in this Ground Lease any party is obligated to pay an amount or perform an act because of its negligence or misconduct (or that of its agents, employees, contractors, guests, or invitees), such obligations shall be mitigated to the extent of any comparative fault or misconduct of the other party (or that of its agents, employees, contractors, guests, or invitees) as determined by a court of law, and in any disputes damages shall be apportioned based on the relative amounts of such negligence or willful misconduct as determined by a court of law.

ARTICLE XI
TERMINATION, DEFAULT AND REMEDIES

Section 11.01 Events Of Default. Any one of the following events shall be deemed to be an "Event of Default" by the Corporation under this Ground Lease.

(a) The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of this Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.

(b) The taking by execution of the Corporation's leasehold estate (other than a foreclosure of the Mortgage) for the benefit of any Person.

(c) The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of this Ground Lease and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(d) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Facilities and the Stadium Expansion appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.

Section 11.02 The Board's Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Board may at its option seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Section 11.03 Termination of Right of Occupancy. Notwithstanding any provision of law or of this Ground Lease to the contrary, except as set forth in Section 1.03 hereof, the Board shall not have the right to terminate this lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Corporation hereunder, the Board shall have the right to terminate the Corporation's right to occupancy of the Land, the Facilities and the Stadium Expansion, except that the Facilities and the Stadium Expansion, at the option of the Board, shall remain thereon. The Board shall have the right upon ninety (90) days' written notice and opportunity to cure provided to the Series 2004 Bond Insurer and the Trustee, to take possession of the Land, the Facilities and the Stadium Expansion and to re-let the Land, the Facilities and the Stadium Expansion or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation hereby agrees to release its leasehold interest and all of its rights under this Ground Lease and the Facilities Lease to the new lessee of the Land (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, as applicable) agreeing to assume all of the Corporation's obligations under the Ground Lease, the Facilities Lease and under any debt incurred by the Corporation in connection with the construction of the Facilities and the Stadium Expansion.

Section 11.04 Rights of The Board Cumulative. All rights and remedies of the Board provided for and permitted in this Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Board of a breach of any of the covenants, conditions or restrictions of this Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Board to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

ARTICLE XII TITLE TO THE FACILITIES

Section 12.01 Title to Facilities. Title to the existing Facilities and the Stadium Expansion and any new Facilities as they are constructed or placed in service upon completion thereof shall be vested in the Board. The Board's right to obtain title to the Facilities and the Stadium Expansion unencumbered by the leasehold interest of the Corporation granted hereunder shall be as set forth in the Facilities Lease. All furniture, fixtures, equipment and furnishings permanently affixed to the Facilities and the Stadium Expansion shall be the property of the Board upon termination of this Ground Lease whether such termination be by expiration of the Term or an earlier termination under any provision of this Ground Lease.

Section 12.02 The Board's Option to Require Demolition. Upon the Expiration Date of the Term or earlier termination hereof, in the event the Facilities or the Stadium Expansion are no longer suitable for the Board's purposes, the Board in its sole discretion may require the Corporation to demolish the Facilities or the Stadium Expansion and remove the Facilities or the Stadium Expansion from the Land, and restore the Land to substantially the same condition as it existed on the date of this Ground Lease, to be accomplished within one hundred eighty (180) days of such Expiration Date or earlier termination hereof. However, such demolition and removal of the Facilities or the Stadium Expansion shall be at the Board's sole cost and expense. In the event of such election upon the expiration of the Term, the Board shall notify the Corporation no later than six (6) months prior to the expiration of the Term. If this Ground Lease is terminated earlier, the Board shall notify the Corporation within thirty (30) days after the termination.

Section 12.03 Termination of Facilities Lease. Upon the termination of the Facilities Lease as a result of the Board's exercise of its option to purchase the Facilities and the Stadium Expansion granted under the Facilities Lease, all right and interest of the Corporation in and to this Ground Lease, the Facilities Lease and the Facilities and the Stadium Expansion shall be transferred to the Board, and the Corporation hereby agrees to execute any documents necessary to effectuate such transfer, or the Board may require the demolition of the Facilities and the Stadium Expansion as set forth in Section 12.02 above.

Section 12.04 Insurance Proceeds. Notwithstanding the fact that title to the Facilities and the Stadium Expansion is vested in the Board, if the Facilities Lease is no longer in force and effect, and all or any portion of the Facilities and the Stadium Expansion is damaged or destroyed by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*"), the proceeds of any insurance received on account of any such Casualty shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond

Documents are no longer in effect shall be disbursed to the Corporation as though the Corporation were the owner of the Facilities and the Stadium Expansion.

Section 12.05 Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities and the Stadium Expansion due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities and the Stadium Expansion by condemnation, expropriation, or eminent domain proceedings (collectively "*Expropriation*") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

ARTICLE XIII CONDEMNATION

Section 13.01 Condemnation. If the Facilities Lease has been terminated, upon the permanent Taking of all the Land, the Facilities and the Stadium Expansion, this Ground Lease shall terminate and expire as of the date of such Taking, and both the Corporation and the Board shall thereupon be released from any liability thereafter accruing hereunder except for Rent and all other amounts secured by this Ground Lease owed to the Board apportioned as of the date of the Taking or the last date of occupancy, whichever is later. The Corporation shall receive notice of any proceedings relating to a Taking and shall have the right to participate therein.

Section 13.02 Partial Condemnation if Facilities Lease is No Longer in Effect. Upon a temporary Taking or a Taking of less than all of the Land, the Facilities and the Stadium Expansion and if the Facilities Lease is no longer in effect, the Corporation, at its election, may terminate this Ground Lease by giving the Board notice of its election to terminate at least sixty (60) days prior to the date of such termination. Upon any such termination, the Rent accrued and unpaid hereunder shall be apportioned to the date of termination. In the event there is a partial condemnation of the Land and the Corporation decides not to terminate this Ground Lease, the Board and the Corporation shall either amend this Ground Lease or enter into a new lease so as to cover an adjacent portion of property, if necessary to restore or replace any portion of the Land and/or Facilities and the Stadium Expansion.

Section 13.03 Partial or Total Condemnation if Facilities Lease is in Effect. If this Ground Lease is terminated under Section 13.01 or in the event of a Taking of less than all of the Land and the Facilities and the Stadium Expansion while the Facilities Lease is in force and effect, and the Board decides to restore or replace the Facilities and the Stadium Expansion in accordance with the Facilities Lease, the Board and the Corporation agree to enter into a new lease (in form and substance substantially the same as this Ground Lease) of a portion of property necessary to place thereon the Facilities and the Stadium Expansion and to enter into a new Facilities Lease (in form and substance substantially the same as the Facilities Lease) covering such replacement Facilities and the Stadium Expansion.

Section 13.04 Payment of Awards - If Facilities Lease is in Effect. Upon the Taking of all or any portion of the Land or the Facilities or and the Stadium Expansion while the Facilities Lease remains in full force and effect (a) the proceeds of the Award allocable to the value of the Facilities and the Stadium Expansion shall be disbursed in accordance with the provisions of the Facilities Lease and the Bond Documents, and (b) the Board shall be entitled (free of any claim by the Corporation) to the Award for the value of the Board's Interest (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest); and (c) the Corporation shall be entitled to the Award

for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.05 Payment of Awards - If Facilities Lease is not in Effect. Upon the Taking of all or any portion of the Land or the Facilities or the Stadium Expansion at any time after the Facilities Lease is no longer in force and effect, (a) the proceeds of the Award allocable to the value of the Facilities or the Stadium Expansion shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation, (b) the Board shall be entitled (free of any claim of the Corporation) to the Award for the value of the Board's Interest in the Land (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest) and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.06 Bond Documents Control. Notwithstanding anything in this Ground Lease to the contrary, in the event of a Casualty or a Taking of all or any portion of the Facilities or the Stadium Expansion, the provisions in the Bond Documents shall control the division, application and disbursement of any insurance proceeds or Award paid as a result thereof for so long as the Bond Documents remain in effect.

ARTICLE XIV ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE CORPORATION'S INTEREST

Section 14.01 Assignment of Leasehold Interest. Except as expressly provided for in Article VI and in this Article XIV, the Corporation shall not have the right to sell or assign the leasehold estate created by this Ground Lease, or the other rights of the Corporation hereunder to any Person without the prior written consent of the Board.

Section 14.02 Subletting. The Corporation is not authorized to sublet the leasehold estate to any entity other than the Board; provided, however, that if the Facilities Lease terminates, the Corporation shall have the right to sublease the Facilities to University students, faculty and staff and Permitted Sublessees.

Section 14.03 Transfers of the Corporation's Interest. Except as otherwise expressly provided herein, any Person succeeding to the Corporation's interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Corporation hereunder and shall be subject to the terms and provisions of this Ground Lease.

ARTICLE XV COMPLIANCE CERTIFICATES

Section 15.01 The Corporation's Compliance. The Corporation agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by the Board, to execute, acknowledge and deliver to the Board or to such other party as the Board shall request, a statement in writing certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Corporation to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered

pursuant to this Section may be relied upon by any prospective purchaser of the Board's Interest or by any other Person.

Section 15.02 The Board's Compliance. The Board agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Corporation, to execute, acknowledge and deliver to the Corporation a statement in writing addressed to the Corporation or to such other party as the Corporation shall request, certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) to the best of its knowledge after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default; (d) during the construction period, the status of construction of the Facilities and the Stadium Expansion and the estimated date of completion thereof; and (e) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Facilities and the Stadium Expansion, or by any other Person.

ARTICLE XVI
TAXES AND LICENSES

Section 16.01 Payment of Taxes. The Board shall pay, and, upon request by the Corporation, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Corporation's interest in the Land or in the Facilities and the Stadium Expansion or upon any of the Corporation's property used in connection therewith or upon the Board or the Board's Interest. The Board may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Board to pay taxes and fees under this Section 16.01 shall apply only to the extent that the Board or the Corporation are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The Board and the Corporation agree to cooperate fully with each other to the end that tax exemptions available with respect to the Land, the Facilities and the Stadium Expansion under applicable law are obtained by the party or parties entitled thereto.

Section 16.02 Contested Tax Payments. The Board shall not be required to pay, discharge or remove any such taxes or assessments so long as the Board is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. The Corporation shall cooperate with the Board in completing such contest and the Corporation shall have no right to pay the amount contested during the contest. The Corporation, at the Board's expense, shall join in any such proceeding if any law shall so require.

ARTICLE XVII
FORCE MAJEURE

Section 17.01 Discontinuance During Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Corporation, the Corporation shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The Board shall not be obligated to recognize any delay caused by Force Majeure unless the Corporation shall within ten (10) days after the Corporation is aware of the existence of an event of Force Majeure, notify the Board thereof.

ARTICLE XVIII
MISCELLANEOUS

Section 18.01 Nondiscrimination, Employment and Wages. Any discrimination by the Corporation or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Ground Lease, is prohibited.

Section 18.02 Notices. Notices or communications to the Board or the Corporation required or appropriate under this Ground Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

with copies to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

with a copy to:

Seale & Ross
200 North Cate Street
Hammond, LA 70404
Attention: T. Jay Seale

B-61

If to Series 2004 Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

If to Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Section 18.03 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of Lessor and Lessor hereunder.

Section 18.04 Memorandum of Lease. Neither the Board nor the Corporation shall file this Ground Lease for record in Tangipahoa Parish, Louisiana or in any public place without the written consent of the other. In lieu thereof the Board and the Corporation agree to execute in recordable form a memorandum of this Ground Lease in the form of Exhibit C attached hereto. Such memorandum shall be filed for record in Tangipahoa Parish, Louisiana.

Section 18.05 Attorney's Fees. If either party is required to commence legal proceedings relating to this Ground Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 18.06 Louisiana Law to Apply. This Ground Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Tangipahoa Parish, Louisiana.

Section 18.07 Warranty of Peaceful Possession. The Board covenants that the Corporation, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Corporation, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Land, the Facilities and the Stadium Expansion during the Term, subject to the Facilities Lease, and may exercise all of its rights hereunder; and the Board agrees to warrant and forever defend the Corporation's right to such occupancy, use, and enjoyment and the title to the Land against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Ground Lease, the Facilities Lease, and the matters listed on Exhibit B attached hereto.

Section 18.08 Curative Matters. Except for the express representations and warranties of the Board set forth in this Ground Lease, any additional matters necessary or desirable to make the Land useable for the Corporation's purpose shall be undertaken, in the Corporation's sole discretion, at no expense to the Board. The Corporation shall notify the Board in writing of all additional matters undertaken by the Corporation to make the Land usable for the Corporation's purpose.

Section 18.09 Nonwaiver. No waiver by the Board or the Corporation of a breach of any of the covenants, conditions, or restrictions of this Ground Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions or restrictions of this Ground Lease. The failure of the Board or the Corporation to insist in any one or more cases upon the strict performance of any of the covenants of the Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the Board or acceptance of payment by the Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the Board or the Corporation of any provision of this Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 18.10 Terminology. Unless the context of this Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the word "or" shall have the inclusive meaning represented by the phrase "and/or"; (e) the words "hereof," "herein," "hereunder," and similar terms in this Ground Lease shall refer to this Ground Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Ground Lease and the Table of Contents to this Ground Lease are for reference purposes and shall not control or affect the construction of this Ground Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Ground Lease unless otherwise specified. All exhibits attached to this Ground Lease constitute a part of this Ground Lease and are incorporated herein. All references to a specific time of day in this Ground Lease shall be based upon Central Standard Time (or the other standard of measuring time then in effect in Hammond, Louisiana).

Section 18.11 Counterparts. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 18.12 Severability. If any clause or provision of this Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of Ground Lease shall not be affected thereby.

Section 18.13 Authorization. By execution of this Ground Lease, the Corporation and the Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Ground Lease have been taken and performed; and that the persons signing this Ground Lease on their behalf have due authorization to do so.

Section 18.14 Ancillary Agreements. In the event it becomes necessary or desirable for the Board to approve in writing any ancillary agreements or documents concerning the Land or concerning the construction, operation or maintenance of the Facilities and the Stadium Expansion or to alter or amend any such ancillary agreements between the Board and the Corporation or to give any approval or

consent of the Board required under the terms of this Ground Lease, all agreements, documents or approvals shall be forwarded to the Board Representative.

Section 18.15 Amendment. No amendment, modification, or alteration of the terms of this Ground Lease shall be binding unless the same be in writing dated on or subsequent to the date hereof and duly executed by the parties hereto and consented to the extent required by Article VIII of the Agreement.

Section 18.16 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another educational institution or the Board into another educational management board.

Section 18.17 Conflicts between Existing Ground Lease and Third Supplemental Ground Lease. In the event any of the provisions of this Third Supplemental Facilities Lease conflict with any of the provisions of the Existing Facilities Lease, the provisions of this Third Supplemental Facilities Lease shall control.

Section 18.18 Entire Agreement. This Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the Land and contains all of the terms and conditions agreed upon with respect to the lease of the Land, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System on the ____ day of November, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

By:

John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of University Facilities, Inc. on the ____ day of November, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By:

Name: Joseph Morris
Title: Executive Director

B-63

STATE OF LOUISIANA
PARISH OF TANGIPAHOA

BE IT KNOWN, that on this _____ day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOHN L. CRAIN

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

WITNESSES:

Print Name:

Print Name:

NOTARY PUBLIC
Print Name: _____
La. Bar or Notary ID Number: _____
Lifetime Commission

STATE OF LOUISIANA
PARISH OF TANGIPAHOA

BE IT KNOWN, that on this _____ day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOSEPH MORRIS

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Executive Director of University Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

Name: Joseph Morris
Title: Executive Director

WITNESSES:

Print Name:

Print Name:

NOTARY PUBLIC
Print Name: _____
La. Bar or Notary ID Number: _____
Lifetime Commission

B-64

EXHIBIT A

LAND DESCRIPTION

Tract 1 (20.615 Acre Tract):

A certain parcel of ground being a portion of the Southeastern Louisiana University Campus being designated as "20.615 ACRE TRACT" containing 20.615 acres (898,003 sq. ft.) located in Section 23, Township 6 South, Range 7 East, City of Hammond, Tangipahoa Parish, Louisiana, being more particularly described as follows:

Commence at the point formed by the intersection of the Westerly Right of Way Line of SGA Drive and the Southerly Right of Way line of West University Avenue, said point also being the Point of Beginning.

Thence, along the Easterly Right of Way of SGA Drive S 00°00'00" W a distance of 320.00 feet to a point and corner; thence S 45°00'00" E a distance of 31.82 feet to a point and corner; thence S 00°00'00" E a distance of 595.00 feet to a point and corner; thence S 15°33'28" W a distance of 125.49 feet to a point and corner; thence S 13°16'07" E a distance of 353.60 feet to a point and corner; thence departing said right-of-way S 77°00'45" W a distance of 230.92 feet to a point and corner; thence, S 00°00'00" W a distance of 116.96 feet to a point and corner; thence, S 90°00'00" W a distance of 155.92 feet to a point and corner; thence, S 00°00'00" W a distance of 61.84 feet to a point and corner; thence, S 90°00'00" W a distance of 176.95 feet to a point and corner; thence, N 00°00'00" E a distance of 128.24 feet to a point and corner; thence, S 90°00'00" W a distance of 77.26 feet to a point and corner; thence, N 00°00'00" E a distance of 1505.01 feet to a point and corner, said point being on the Southerly Right of Way of West University Avenue; thence, S 90°00'00" E a distance of 635.15 feet to a point and corner, said point being the Point-Of-Beginning.

Being the same property as shown on that map of survey entitled "Map Showing ALTA/ACSM Survey of a Portion of the Southeastern Louisiana University Campus Located in Section 23, T6S-R7E, City of Hammond, Parish of Tangipahoa for Southeastern Louisiana University" prepared by David L. Patterson, P.L.S., dated May 6, 2004.

Tract 2 (11.28 Acre Tract – Oaks/Village):

A certain tract or parcel of land containing 11.28 acres situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of General Pershing and University Avenue, thence North 02°02'41" West 797.31 feet to the Point of Beginning;

thence South 89°43'41" West 709.92 feet; thence North 00°17'07" West 600.77 feet; thence North 89°40'12" East 858.25 feet; thence South 45°06'19" East 193.98 feet; thence South 77°43'57" West 220.07 feet; thence South 01°14'39" West 418.55 feet; thence South 89°43'41" West 58.56 feet to said Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 11.28 Acre Tract of Land Situated in Section 14, T-6-S, R-

7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 3 (1.70 Acre Tract - Tavior Hall):

A certain tract or parcel of land containing 1.70 acres situated in Section 23, T-6-S, R-7-E, Tangipahoa Parish, Louisiana and more particularly described as follows:

Commencing at the intersection of North General Pershing Street and Texas Avenue; thence North 06°46'03" West 240.96 feet to the Point of Beginning;

thence North 00°14'06" West 278.02 feet; thence North 89°50'08" East 252.70 feet; thence South 00°08'03" East 181.58 feet; thence South 89°48'33" West 39.94 feet; thence South 00°21'03" West 96.15 feet; thence South 89°49'36" West 292.51 feet to Point of Beginning.

Being the same property as shown on that map of survey entitled "Plat of Survey Prepared for Southeastern Louisiana University Showing a 1.70 Acre Tract of Land Situated in Section 14, T-6-S, R-7-E, City of Hammond, Tangipahoa Parish, Louisiana" prepared by Randall E. Ward, P.L.S., dated June 22, 2004.

Tract 4 (1.06 Acre Tract - Intermodal Facility):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 feet to a point; thence leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 30.32 feet to the Point of Beginning;

From the Point of Beginning run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 17.83 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 251.49 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 164.91 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 6.93 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 17.83 feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 265.35 feet back to the Point of Beginning.

Tract 5 (0.40 Acre Tract – Stadium Expansion):

A certain piece or portion of land being situated in Section 23, Township 6 South, Range 7 East, Tangipahoa Parish, Louisiana, being more fully described as follows:

Commencing at the Northeast Intersection of West Dakota Street and Galloway Drive and run along the East right-of-way of Galloway Drive North 14 Degrees 50 Minutes 00 Seconds West for a distance of 317.00 Feet to the Point of Beginning;

B-65

From the Point of Beginning and leaving said right-of-way run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 21.78 feet to a point; thence run North 14 Degrees 46 Minutes 42 Seconds West for a distance of 326.00 feet to a point; thence run North 75 Degrees 13 Minutes 18 Seconds East for a distance of 52.92 Feet to a point; thence run South 14 Degrees 46 Minutes 42 Seconds East for a distance of 326.00 feet to a point; thence run South 75 Degrees 13 Minutes 18 Seconds West for a distance of 31.13 feet back to the Point of Beginning.

EXHIBIT B

PERMITTED ENCUMBRANCES

1. Amended and Restated Ground Lease Agreement dated July 27, 2000 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.
2. Amended and Restated Agreement to Lease with Option to Purchase dated July 27, 2000 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.
3. Assignment of Leases and Rents dated July 27, 2000 by and between University Facilities, Inc., as assignor, and Hibernia National Bank, as assignee, relating to all leases and rents from the portion of the Facilities located on the 11.28 acre tract described as Tract 2 herein.

B-66

EXHIBIT C

MEMORANDUM OF GROUND LEASE

STATE OF LOUISIANA §
PARISH OF TANGIPAHOA § KNOW ALL MEN BY THESE PRESENTS:

MEMORANDUM OF LEASE

This Memorandum of Lease (this "Memorandum") is entered into by and between the Board of Supervisors for the University of Louisiana System ("Lessor") and University Facilities, Inc. ("Lessee").

RECITALS

A. Lessor and Lessee have entered into a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "Third Supplemental Ground Lease"), supplementing and amending that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "Existing Ground Lease" and, together with the Third Supplemental Ground Lease, the "Lease"), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibit A attached hereto and incorporated herein (the "Land") and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

- 1. The term of the Lease commenced on November 13, 2013 and shall continue until midnight on August 1, 2047, unless sooner terminated or extended as provided in the Lease.
2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.
3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System
1201 North 3rd Street, Suite 7300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

B-67

THUS DONE AND PASSED on the ___ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with John L. Crain, President of Southeastern Louisiana University and Authorized Board Representative, and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

THUS DONE AND PASSED on the ___ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Joseph Morris, Executive Director of University Facilities, Inc., and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
Joseph Morris, Executive Director

NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

EXHIBIT D

DESCRIPTION OF THE FACILITIES

Phase One

Phase One of the housing development was comprised of two primary elements:

1. Hazardous material abatement and demolition of the following residence halls:
 - (a) Holloway Smith Hall (occurred in Spring 2004)
 - (b) Hammond Hall (occurred in Spring 2004)
 - (c) Carter Harris Hall (occurred in Spring 2004)
2. Construction of a new residence hall ("*Residence Hall I*") which provides approximately seven hundred eighteen (718) student beds in a mix of private and shared occupancy suites (opened January, 2005)

The project included: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and (5) provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (171,045 square feet)

Residence Hall was comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred fifty-eight (358) units of two-bedroom / one-bathroom and one-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of seven hundred eighteen (718) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-nine (179) of the units are designed for shared occupancy (360 total beds). Additionally, the Residence Hall I phase included a common area laundry facility in two of the buildings and area coordinator units in two of the buildings. In each building, community meeting rooms and tenant mail facilities were provided.

The first phase of development also included a 1,763 square foot maintenance facility for use by the property manager. Residence Hall I was completed in January, 2005.

Phase Two

Phase Two of the housing development was comprised of:

1. Construction of a new residence hall ("*Residence Hall II*") which provides seven hundred ninety-one (791) student beds in a mix of private and shared occupancy suites.
2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (184,530 square feet)

Residence Hall II is comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred ninety-five (395) units of housing configured in two-bedroom / one-

B-68

bathroom and one-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of seven hundred ninety-one (791) beds. Ninety-five (95) of the units (187 total beds) are designed for private occupancy and three hundred (300) of the units (604 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase includes one laundry facility and one area coordinator unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities are provided. The second phase of development included relocation of the campus police facility into one of the buildings, along with office / meeting space for the property management. Residence Hall II was completed in August, 2005.

Phase Three

Phase Three of the housing development has not been initiated and would be subject to further revision based upon input from the University. The following was the preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to be determined)
2. Construction of a new residence hall ("*Residence Hall III*") to provide approximately two hundred (200) student beds in private occupancy suites.

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is not currently in progress.

Residence Hall III unit mix and design is subject to further revision based upon University input.

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility consists of approximately 436 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It contains four parking levels containing 171,378 square feet with elevators and stairs.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements included the expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom

spaces. It consists of two levels containing approximately 9,323 square feet (plus 3,881 square feet at the two patios and 1,207 square foot at club seating area).

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

B-69

FORM OF
THIRD SUPPLEMENTAL
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.
(as Lessor)

and

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessee)

Dated as of November 1, 2013

in connection with:

\$40,910,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

AND

\$5,545,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

| | <u>Page</u> |
|-------------|---|
| Section 1. | Definitions..... 2 |
| Section 2. | Agreement to Lease; Term of Lease..... 13 |
| Section 3. | Acknowledgments, Representations and Covenants of the Board..... 14 |
| Section 4. | Representations and Covenants of the Corporation..... 17 |
| Section 5. | Waiver and Disclaimer of Warranties..... 17 |
| Section 6. | Rental..... 18 |
| Section 7. | Operation, Alterations, Maintenance, Repair, Replacement and Security Service..... 22 |
| Section 8. | Utilities..... 23 |
| Section 9. | Insurance..... 23 |
| Section 10. | Condemnation, Casualty and Other Damage..... 25 |
| Section 11. | Application of Insurance Proceeds; Condemnation Award..... 25 |
| Section 12. | Encumbrances..... 26 |
| Section 13. | Assignment and Sublease..... 27 |
| Section 14. | Additions and Improvements Removal..... 27 |
| Section 15. | Right of Entry..... 28 |
| Section 16. | Mortgage Prohibition..... 28 |
| Section 17. | Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest..... 28 |
| Section 18. | Quiet Enjoyment..... 28 |
| Section 19. | Environmental Compliance and Indemnity..... 29 |
| Section 20. | The Corporation's Reservation of Rights..... 29 |
| Section 21. | Default by the Board..... 30 |
| Section 22. | Cumulative Remedies..... 31 |
| Section 23. | Option to Purchase..... 31 |
| Section 24. | Severability..... 33 |
| Section 25. | Redemption of Bonds..... 33 |
| Section 26. | Additional Bonds..... 34 |
| Section 27. | Execution..... 34 |
| Section 28. | Law Governing..... 34 |
| Section 29. | Nonappropriation of Funds..... 34 |
| Section 30. | Exculpatory Provision..... 34 |
| Section 31. | Amendments..... 35 |
| Section 32. | Recording..... 35 |
| Section 33. | Construction Against Drafting Party..... 35 |
| Section 34. | Time of the Essence..... 35 |
| Section 35. | No Waiver..... 35 |
| Section 36. | Survival..... 35 |
| Section 37. | Counterparts..... 35 |
| Section 38. | Estoppel Certificates..... 35 |
| Section 39. | Waiver of Jury Trial..... 36 |
| Section 40. | Written Amendment Required..... 36 |
| Section 41. | Entire Agreement..... 36 |
| Section 42. | Signs..... 36 |
| Section 43. | Litigation Expenses..... 36 |
| Section 44. | Brokers..... 36 |
| Section 45. | No Easements for Air or Light..... 36 |

| | |
|-------------|----------------------------------|
| Section 46. | Binding Effect..... 37 |
| Section 47. | Rules of Interpretation..... 37 |
| Section 48. | Relationship of Parties..... 37 |
| Section 49. | Law Between the Parties..... 37 |
| Section 50. | Notices..... 37 |
| EXHIBIT A | DESCRIPTION OF FACILITIES |
| EXHIBIT B | MEMORANDUM OF SUPPLEMENTAL LEASE |

B-71

THIRD SUPPLEMENTAL
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

This THIRD SUPPLEMENTAL AGREEMENT TO LEASE WITH OPTION TO PURCHASE (together with any amendment hereto or supplement hereof, the "*Facilities Lease*"), dated and effective as of November 1, 2013, is entered into by and between UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by its _____, _____ (the "*Corporation*"); and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by John L. Crain, President of the University and Board Representative, duly authorized, supplements and amends that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Facilities Lease*").

WITNESSETH:

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private non-profit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Corporation;

WHEREAS, in order to further these functions of the Board, by demolition of certain existing facilities and renovation, development and construction of housing and related facilities for students, faculty and staff on the campus of the University (the "*Campus*"), the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such housing and related facilities and leasing such housing facilities back to the Board;

WHEREAS, pursuant to the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Ground Lease*"), the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of the Prior Facilities Lease;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A.

(the "*Trustee*"), dated as of August 1, 2004 (the "*Series 2004 Indenture*"), the Issuer issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and, together with the Series 2004A Bonds, the "*Series 2004 Bonds*");

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Series 2004 Loan Agreement*"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "*Series 2004 Facilities*"), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a debt service reserve fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the "*Series 2007 Indenture*"), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "*Series 2007A Bonds*") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the "*Series 2007B Bonds*") and, together with the Series 2007A Bonds, the "*Series 2007 Bonds*";

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the "*Series 2007 Loan Agreement*"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Series 2007 Facilities (as defined herein), (ii) fund a deposit to a debt service reserve fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 31 of the Prior Facilities Lease and Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 of the Series 2007 Loan Agreement provide that, with the written consent of the Bond Insurer (as hereinafter defined) the Prior Facilities Lease may be amended in order to amend or modify the Prior Facilities Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Bond Insurer or the Trustee; and

WHEREAS, the Issuer is issuing its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the "*Series 2013 Bonds*") in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Facilities Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of and as used in this Facilities Lease, have the meanings as set forth below. All other capitalized terms used herein without definition shall have the meanings as set forth in

B-72

the Indenture (as hereinafter defined). Other terms shall have the meanings assigned to them in other Sections of this Facilities Lease.

“*Additional Bonds*” means bonds, if any, issued in one or more series on a parity with the Series 2004 Bonds and the Series 2013 Bonds pursuant to Article V of the Indenture or on a parity with the Series 2007 Bonds pursuant to the Series 2007 Indenture.

“*Additional Housing Debt*” means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Rents.

“*Additional Phase Four Debt*” means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Series 2007 Lawfully Available Funds.

“*Additional Facilities*” means, collectively, any Additional Housing Facilities and Additional Parking Facilities.

“*Additional Housing Facilities*” means any additional student housing facilities owned or leased by the Board or the Corporation that have been incorporated with the Series 2004 Facilities into a single housing system pursuant to Section 3(i) hereof

“*Additional Parking Facilities*” means any additional intermodal parking facilities owned or leased by the Board or the Corporation that have been incorporated with the Series 2007 Facilities into a single intermodal parking system pursuant to Section 3(i) hereof.

“*Additional Rental*” means the amounts specified as such in Section 6I of this Facilities Lease.

“*Administrative Expenses*” means the necessary, reasonable and direct out-of-pocket expenses incurred by the Issuer or the Trustee pursuant to the Indenture and the Agreement, the compensation of the Trustee under the Indenture (including, but not limited to any annual administrative fee charged by the Trustee), the compensation of the Issuer, any amounts due to the Bond Insurer under the Reimbursement Agreement and the necessary, reasonable and direct out-of-pocket expenses of the Trustee incurred by the Trustee in the performance of its duties under the Indenture.

“*Agreement*” mean, collectively, (i) the Series 2004 Agreement as supplemented and amended by the Series 2013 Agreement and (ii) the Series 2007 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Annual Debt Service*” means the amount required to pay all principal of and interest on a series of Bonds and any Additional Housing Debt, as applicable, in any Fiscal Year. For purposes of calculating the Annual Debt Service on a series of Bonds or Additional Housing Debt or Additional Phase Four Debt the interest rate borne by which is not fixed to the maturity thereof on any date, for any period during which an interest swap or similar agreement shall be in effect whereunder the Corporation or the Board pays a fixed rate and the swap provider pays a floating rate that, in the judgment of the Authorized Corporation Representative (as evidenced by a certificate delivered to the Trustee) approximates the variable rate payable on such series of Bonds or Additional Housing Debt or Additional Phase Four Debt, the interest rate on such series of Bonds or Additional Housing Debt or Additional Phase Four Debt shall be deemed to be

equal to the fixed rate payable by the Corporation or the Board under such interest swap or similar agreement and for any period during which such an agreement shall not be in effect the interest rate on such Bonds or Additional Housing Debt or Additional Phase Four Debt shall be deemed to be the average interest rate borne by such series of Bonds or Additional Housing Debt or Additional Phase Four Debt during the immediately preceding twelve (12) month period or, if such series of Bonds or Additional Housing Debt or Additional Phase Four Debt has borne a floating rate for less than twelve (12) months, such series of Bonds or Additional Housing Debt or Additional Phase Four Debt shall be treated as if it bears interest at the 25-year Revenue Bond Index as published by *The Bond Buyer* on the date of determination.

“*Auction Rate Bonds*” means the Series 2004B Bonds so long as they are in Auction Rate Mode.

“*Authorized Corporation Representative*” means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

“*Auxiliary Revenues*” means the amount of all funds or revenues held by the University derived by Auxiliary Enterprises and any earnings thereof from the self-generated fees, rates, charges or income received by students, faculty or the public in connection with the utilization or operation of Auxiliary Enterprises after payment of any Auxiliary Enterprises expenses. The Auxiliary Enterprises of the University include the following, subject to modification from time to time: 1) student service fees for the operation of the University’s Textbook Rental, ID Card Services, Student Health Center and Student Union 2) certain commissions received from Food Service contractors, Retail Bookstore operations and Vending operations and 3) the sales of copying services. Auxiliary Revenues shall not include student fees specifically assessed by the University to service any outstanding obligations or any capital funds received by outside contractors required to make building improvements for their delivery of services.

“*Base Rental*” means the amounts referred to as such in Section 6(b) of this Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms hereof) but does not include Additional Rental.

“*Board*” means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University and on its own behalf.

“*Board Representative*” means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Facilities Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Business and Finance, or his or her designee, the President or Vice President for Administration and Finance of the University, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

“*Bond Documents*” shall have the meaning set forth in the Series 2013 Indenture.

“*Bond Insurer*” means, collectively, the Series 2004 Bond Insurer and the Series 2007 Bond Insurer.

“*Bonds*” means, collectively, the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds and any Additional Bonds issued pursuant to a supplemental Indenture as authorized hereby.

"Budget" means the University's budget as approved by the Board for any Fiscal Year during the Term.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§9601 et seq.).

"Claim" collectively means any claim, liability, demand, loss, damage, deficiency, litigation, cause of action, penalty, fine, judgment, defense, imposition, fee, lien, bonding cost, settlement, disbursement, penalty, cost or expenses of any and every kind and nature (including without limitation Litigation Expenses), whether known or unknown, incurred or potential, accrued, absolute, direct, indirect, contingent or otherwise and whether imposed by strict liability, negligence, or otherwise, and consequential, punitive and exemplary damage claims.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"Commencement Date" means the effective date of this Facilities Lease, which is November __, 2013.

"Corporation" means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payments or provision for payment of all of the Bonds.

"Debt Service Coverage Ratio for the Housing Facilities" means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Net Revenues of the Series 2004 Facilities for such Fiscal Year by Annual Debt Service on the Series 2004B Bonds, the Series 2013 Bonds and on any Additional Housing Debt issued and proposed to be issued on a parity therewith for such Fiscal Year; provided, however, that for the purpose of calculating the Debt Service Coverage Ratio for the Housing Facilities pursuant to subsection (i) of Section 3(i) hereof, to determine whether the Board may build, acquire or renovate any Additional Housing Facilities, the numerator of the fraction representing the Debt Service Coverage Ratio for the Housing Facilities shall be increased by the additional anticipated revenues, if any, to be derived from the Additional Housing Facilities constructed with the proceeds resulting from the Additional Housing Debt as certified by the Vice-President for Administration and Finance of the University.

"Debt Service Coverage Ratio for the Parking Facilities" means, for any Fiscal Year, the ratio determined by the Vice President for Administration and Finance of the University by dividing the amount of Auxiliary Revenues and the Student Fee for such Fiscal Year by Annual Debt Service on the Series 2007 Bonds outstanding and on any Additional Bonds issued and proposed to be issued on a parity therewith for such Fiscal Year.

"Debt Service Coverage Ratio for the University" means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Lawfully Available Funds for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Housing Debt issued and proposed to be issued for such Fiscal Year.

"Debt Service Fund" means, collectively, the Series 2004B Debt Service Fund, the Series 2007 Debt Service Fund and the Series 2013 Debt Service Fund.

"Debt Service Reserve Fund" mean, collectively, the Series 2004B Debt Service Reserve Fund, the Series 2007 Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund.

"Debt Service Reserve Fund Requirement" means, collectively, the Series 2004 Debt Service Reserve Fund Requirement, the Series 2007 Debt Service Reserve Fund Requirement and the Series 2013 Debt Service Reserve Fund Requirement.

"Default or Delay Rental" means and shall consist of (i) all amounts, fees or expenses which the Corporation may be legally obligated to pay to Other Parties by reason of any default of the Board hereunder or any delay in payment of any sums due by the Board hereunder; and (ii) all costs, expenses and charges, including reasonable Legal Expenses, incurred by the Corporation whether by suit or otherwise, in collecting sums payable hereunder or in enforcing any covenant or agreement of the Board contained in this Facilities Lease or incurred in obtaining possession of the Facilities after default by the Board.

"Encumbrance" means any lien, mortgage, encumbrance, privilege, charge, option, right of first refusal, conditional sales contract, security interest, mechanic's and materialmen's liens, or any lien or encumbrance securing payment of any Claims, including environmental Claims, or of any charges for labor, materials, supplies, equipment, taxes, or utilities, excluding the Option granted to the Board herein.

"Environmental Requirements" means all State, federal, local, municipal, parish, and regional laws, statutes, rules, regulations, ordinances, codes, permits, approvals, plans, authorizations, concessions, investigation results, guidance documents; all legislative, judicial, and administrative judgments, decrees, orders, rules, rulings, and regulations; and all agreements and other restrictions and requirements in effect on or prior to the Commencement Date, of any Governmental Authority, including, without limitation, federal, state, and local authorities, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, or pollutants, and including without limitation the following environmental laws: The Clean Air Act (42 U.S.C.A. §1857); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901); CERCLA, as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601); the Clean Water Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §30); the Occupational Safety and Health Act (29 U.S.C. §651); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §135); the Louisiana Environmental Quality Act (La. R.S. 30:2001); and the Louisiana Air Quality Regulations (La. C. 33:III.2595) including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

"Event of Default" means any default specified in and defined as such by Section 21 hereof.

"Existing Facilities Lease" means that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation.

"Existing Ground Lease" means that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation.

"Expiration Date" means the earlier of August 1, 2047, or the date that all amounts owed under the Indenture have been paid.

"Extraordinary Rental" means the amounts specified as such in Section 6(j) of this Facilities Lease.

"Facilities" means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached to the Ground Lease, as amended and supplemented in accordance with the provisions of the Agreement, which were renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds.

"Facilities Lease" means the Existing Facilities Lease as supplemented and amended by this Third Supplemental Facilities Lease, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

"Fiscal Year" means the fiscal year of the State, which at the date of this Facilities Lease is the period from July 1 to and including the following June 30.

"Governmental Authority" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"Governmental Regulations" means any and all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation reports, guidelines, and requirements or accreditation standards of any Governmental Authority having jurisdiction over the Corporation and/or the Board, or affecting the Facilities.

"Ground Lease" means the Existing Ground Lease, as supplemented and amended by the Third Supplemental Ground Lease.

"Hazardous Substance" means (a) any "hazardous substance" as defined in §101(14) of CERCLA or any regulations promulgated thereunder; (b) petroleum and petroleum by-products; (c) asbestos or asbestos containing material ("ACM"); (d) polychlorinated biphenyls; I urea formaldehyde foam insulation; or (f) any additional substances or materials which at any time are classified, defined or considered to be explosive, corrosive, flammable, infectious, radioactive, mutagenic, carcinogenic, pollutants, hazardous or toxic under any of the Environmental Requirements.

"Indenture" means, collectively, (i) the Series 2004 Indenture as supplemented and amended by the Series 2013 Indenture and (ii) the Series 2007 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

"Interest Payment Date" or "interest payment date," when used with respect to the Series 2004B Bonds that bear interest at a Fixed Rate, the Series 2007 Bonds and the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014, when used with respect to Auction Rate Bonds, means the Business Day following each Auction Date, and with respect to Variable Rate Bonds, means the dates set forth in the supplemental indenture executed in connection with the applicable Variable Rate Conversion.

"Issuer" means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

"Land" means the real property more particularly described on Exhibit A attached to the Ground Lease upon which certain existing facilities were demolished and upon which the Facilities were renovated, constructed and located.

"Lawfully Available Funds" means, collectively, the Series 2004 Lawfully Available Funds and the Series 2007 Lawfully Available Funds.

"Legal Expenses" means the reasonable fees and charges of attorneys and of legal assistants, paralegals, law clerks and other persons and entities used by attorneys and under attorney supervision and all costs incurred or advanced by any of them irrespective of whether incurred in or advanced prior to the initiation of any legal, equitable, arbitration, administrative, bankruptcy, trial or similar proceedings and any appeal from any of same.

"Litigation Expenses" means all out-of-pocket costs and expenses incurred as a result of a Default, or in connection with an indemnification obligation, including Legal Expenses, the reasonable fees and charges of experts and/or consultants, and all court costs and expenses.

"Management Agreement" means any Management Agreement or similar agreement, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

"Management Company" the Person serving as manager under any Management Agreement.

"Management Fee" means the fee, if any, owed to any Management Company pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

"Maximum Annual Debt Service" with respect to a series of Bonds issued under the Indenture, means the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or subject to mandatory sinking fund redemption.

"Net Revenues of the Housing Facilities" means, with respect to any period, the excess of the Rents (determined on a cash basis) over Operating Expenses (before extraordinary items) of the Series 2004 Facilities and any Additional Housing Facilities, determined in accordance with generally accepted accounting principles, and excluding: (a) any profits or losses on the sale or disposition, not in the ordinary course of business, of investments or fixed or capital assets or resulting from the early extinguishment of debt; (b) gifts, grants, bequests, donations and contributions, to the extent specifically restricted by the donor to a particular purposes inconsistent with their use for the payment of Annual Debt

B-75

Service on the Series 2004B Bonds, the Series 2013 Bonds or Additional Housing Debt; and (c) the net proceeds of insurance (other than business interruption insurance) and condemnation awards.

"Notice" shall have the meaning set forth in Section 51 hereof.

"Operating Expenses" means, with respect to the Series 2004 Bonds and the Series 2013 Bonds, the current expenses of operation, maintenance and current repair of the Series 2004 Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Series 2004 Facilities and the ownership thereof by the Board, payments with respect to worker's compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Issuer (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Series 2004 Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. "Operating Expenses" will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Series 2004 Bonds or Series 2013 Bonds; (3) any allowance for depreciation or replacements of capital assets of the Series 2004 Facilities; or (4) amortization of financing costs.

"Option to Purchase" or "Option" means the option to purchase the Corporation's interest in the Facilities granted in Section 23 of this Facilities Lease.

"Other Parties" means a Person other than the Parties.

"Parties" means, collectively, the Corporation and the Board.

"Permitted Sublessees" means, collectively, the Series 2004 Permitted Sublessees and the Series 2007 Permitted Sublessees.

"Permitted Use" means, (i) with respect to the Series 2004 Facilities, the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Series 2004 Permitted Sublessees and for purposes related to or associated with the foregoing and (ii) with respect to the Series 2007 Facilities, the operation of the Series 2007 Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Series 2007 Permitted Sublessees and for purposes related to or associated with the foregoing.

"Person" means all juridical persons, whether corporate or natural, including individuals, firms, corporations, corporations, associations, joint ventures, partnerships, and limited liability companies or partnerships.

"Principal Payment Date" means each August 1, commencing August 1, 2014.

"Project Fund" means the fund of that name created under the Indenture.

"Receipts Fund" means, collectively, the Series 2004 Receipts Fund and the Series 2007 Receipts Fund.

"Remediation" means any and all costs incurred due to any investigation of the Facilities or any remediation, response, cleanup, removal, or restoration required by any Governmental Regulation or Governmental Authority or by Environmental Requirements.

"Rental" means and includes the Base Rental and Additional Rental.

"Rents" means all revenues actually received from any source by, or on behalf of the Board or the University with respect to the Series 2004 Facilities and any Additional Housing Facilities, including without duplication, all collected rents and other charges for the use or occupancy of the Series 2004 Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Series 2004 Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants' security deposits unless and until applied in satisfaction of tenants' obligations as provided for in the Management Agreement and excluding refunds and reimbursements due to students in accordance with University policy.

"Replacement Fund" means, collectively, the Series 2004 Replacement Fund and the Series 2007 Replacement Fund.

"Series 2004 Agreement" means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

"Series 2004 Bonds" means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

"Series 2004A Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, initially bearing interest at the Fixed Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$60,985,000, including such Series 2004A Bonds issued in exchange for other such Series 2004A Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004A Bonds pursuant to the Indenture.

"Series 2004B Bonds" means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B, initially bearing interest at the Auction Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$15,000,000, including such Series 2004B Bonds issued in exchange for other such Series 2004B Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004B Bonds pursuant to the Indenture.

"Series 2004 Bond Insurer" means MBIA Insurance Corporation, as insurer for the Series 2004B Bonds, and any successor thereto.

"Series 2004 Debt Service Fund" means the Debt Service Fund created pursuant to the Series 2004 Indenture.

"Series 2004 Debt Service Reserve Fund" means the Debt Service Reserve Fund created pursuant to the Series 2004 Indenture.

"Series 2004 Debt Service Reserve Fund Requirement" means, with respect to the Series 2004B Bonds, the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue

discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2004 Facilities*” means the student housing and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2004 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Lawfully Available Funds*” means all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, including Rents.

“*Series 2004 Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Series 2004 Facilities for a period of one (1) month or less pursuant to a concession or other housing arrangement with the University.

“*Series 2004 Receipts Fund*” means the Receipts Fund created pursuant to the Series 2004 Indenture.

“*Series 2004 Replacement Fund*” means the Replacement Fund created pursuant to the Series 2004 Indenture.

“*Series 2007 Agreement*” means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2007 Bonds, and any successor thereto.

“*Series 2007 Bonds*” means, collectively, the Series 2007A Bonds and the Series 2007B Bonds.

“*Series 2007A Bonds*” means the Issuer’s \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A

“*Series 2007B Bonds*” means the Issuer’s \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

“*Series 2007 Debt Service Fund*” means the Debt Service Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Debt Service Reserve Fund*” means the Debt Service Reserve Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Debt Service Reserve Fund Requirement*” means, with respect to the Series 2007 Bonds, the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average

Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2007 Facilities*” means the parking and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2007 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Lawfully Available Funds*” means, collectively, the Auxiliary Revenues and the Student Fee Revenues, as designated by the Board in its budget process to make Rental payments.

“*Series 2007 Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Series 2007 Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

“*Series 2007 Receipts Fund*” means the Receipts Fund created pursuant to the Series 2007 Indenture.

“*Series 2007 Replacement Fund*” means the Replacement fund created pursuant to the Series 2007 Indenture.

“*Series 2013 Agreement*” means the First Supplemental Loan Agreement dated as of November 1, 2013, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2013 Bonds*” means the Issuer’s \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

“*Series 2013 Debt Service Fund*” means the Series 2013 Debt Service Fund created pursuant to the Series 2013 Indenture.

“*Series 2013 Debt Service Reserve Fund*” means the Series 2013 Debt Service Reserve Fund created pursuant to the Series 2013 Indenture.

“*Series 2013 Debt Service Reserve Fund Requirement*” means, with respect to the Series 2013 Bonds, one-half (1/2) of the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Series 2013 Indenture*” means that certain First Supplemental Trust Indenture by and between the Trustee and the Issuer dated as of November 1, 2013, supplementing and amending the Series 2004 Indenture.

"*Stadium Expansion*" means the Football Stadium Improvements described in Exhibit A hereto, as amended and supplemented in accordance with the provisions of the Agreement.

"*Stadium Expansion Land*" means the real property more particularly described on Exhibit A to the Ground Lease upon which the Stadium Expansion were renovated, constructed and located.

"*State*" means the State of Louisiana.

"*Student Fee*" means the student parking garage fee assessed on all University students for the planning, building and maintaining of a University parking garage, as designated by the Board in its budget process to make Rental payments with respect to the Series 2007 Bonds. The referendum for the fee of \$20.00 per semester and \$10.00 each summer was voted on and passed by students at the University on October 24-26, 2005.

"*Student Fee Revenues*" means the amount of all funds or revenues held by the University derived by the Student Fee.

"*Term*" means the term of this Facilities Lease, as provided in Section 2 hereof.

"*Third Supplemental Facilities Lease*" means that certain Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 by and between the Corporation and the Board.

"*Third Supplemental Ground Lease*" means this Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 by and between the Board and the Corporation.

"*Trustee*" means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture.

"*University*" means Southeastern Louisiana University in Hammond, Louisiana.

Section 2. Agreement to Lease; Term of Lease. The Corporation hereby leases the Facilities to the Board, and the Board hereby leases the Facilities from the Corporation effective as of the Commencement Date of this Facilities Lease and agrees upon completion of construction of the Facilities to accept possession of the Facilities and agrees to pay the Base Rental, the Additional Rental and the Extraordinary Rental as provided herein for the use and occupancy of the Facilities, all on the terms and conditions set forth herein. The Board agrees that it will take immediate possession of the Facilities. The Term of this Facilities Lease begins on the Commencement Date and ends on the Expiration Date; provided, however, this Facilities Lease shall terminate prior to the Expiration Date upon the happening of any of the following events:

(a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture;

(b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation's interest in the Facilities pursuant to the Option; or

(c) any other event described in this Facilities Lease which is specifically stated to cause a termination of this Facilities Lease, including without limitation a Default by the Board, and the failure of the Board to appropriate or cause to be appropriated an amount necessary to pay the Base Rental, all as set forth in Sections 21 and 29 hereof.

Upon the termination of the Facilities Lease under the circumstances set forth in Section 2(a) above, at the Board's option, the Board may require the demolition of the Facilities as set forth in Section 12.02 of the Ground Lease.

Section 3. Acknowledgments, Representations and Covenants of the Board. The Board represents, covenants and agrees as follows:

(a) The Board has full power and authority to enter into this Facilities Lease, the Ground Lease, and the transactions contemplated thereby and agrees to perform all of its obligations hereunder and under the Ground Lease;

(b) The Board has been duly authorized to execute and deliver this Facilities Lease and the Ground Lease and further represents and covenants that this Facilities Lease and the Ground Lease constitute the valid and binding obligations of the Board and that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Facilities Lease and the Ground Lease and the Board has complied with all constitutional and other statutory requirements as may be applicable to the Board in the authorization, execution, delivery and performance of this Facilities Lease and the Ground Lease;

(c) The execution and delivery of this Facilities Lease and the Ground Lease, and compliance with the provisions hereof, will not conflict with or constitute on the part of the Board a violation of, breach of, or default under any constitutional provision, statute, law, resolution, bond indenture or other financing agreement or any other agreement or instrument to which the Board is a party or by which the Board is bound, or any order, rule or regulation of any court or Governmental Authority or body having jurisdiction over the Board or any of its activities or properties with respect to the Facilities; and all consents, approvals or authorizations required of the Board for the consummation of the transactions contemplated hereby have been obtained or timely will be obtained;

(d) Other than that which was previously disclosed, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Board, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease and the Ground Lease;

(e) The Board will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes;

(f) The Board agrees to cause the Facilities to be used for the Permitted Use and shall not allow the Facilities to be used for any other use. No more than five percent (5%) of the gross area of the Facilities will be subleased by the Board or by any sublessees or assigns of the Board to, or otherwise used by, private business and the Board agrees to take all action, to the extent it is legally authorized and able to do so, necessary to prevent the Bonds from being deemed "private activity bonds" within the meaning of Section 141 of the Code.

B-78

(g) (i) The use of the Series 2004 Facilities is essential to the operation of the University by providing modern housing and related facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Series 2004 Lawfully Available Funds for use of the Series 2004 Facilities. There are no alternative facilities available for use as contemplated for the Facilities since there is currently a shortage of available, modern on-campus housing at the University.

(ii) The use of the Series 2007 Facilities is essential to the operation of the University by providing modern intermodal parking facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Series 2007 Lawfully Available Funds for use of the Series 2007 Facilities. There are no alternative facilities available for use as contemplated for the Series 2007 Facilities.

(h) (i) The Board hereby covenants and agrees to maintain a Debt Service Coverage Ratio for the Housing Facilities of not less than 1.10:1.00 and a Debt Service Coverage Ratio for the University of not less than 1.25:1.00. The Board covenants that, as long as any bonds, notes or lease obligations remain outstanding that are payable from Series 2004 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Housing Facilities falls below 1.10:1.00 or the Debt Service Coverage Ratio for the University falls below 1.25:1.0, the Board shall use its best efforts to raise its fees, rentals, rates and charges relating to the Series 2004 Facilities so that within two (2) full semesters after either of the Debt Service Coverage Ratio for the Housing Facilities or the Debt Service Coverage Ratio of the University becomes deficient, the Debt Service Coverage Ratio for the Housing Facilities equals 1.10:1.00 and the Debt Service Coverage Ratio for the University equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Housing Facilities is still below 1.10:1.00 or the Debt Service Coverage Ratio for the University is still below 1.25:1.0, the Board shall hire an outside consultant, approved by the Series 2004 Bond Insurer, and the Board shall follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Series 2004 Facilities, including raising fees and rents, reducing expenses and, if necessary, increasing the average occupancy rate through strict enforcement of parietal rules requiring students to reside on campus and, to the extent legally possible, revising parietal rules to increase the number of students required to reside on campus. So long as the Board is working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio for the Housing Facilities or any deficient Debt Service Coverage Ratio of the University, there shall not be an Event of Default hereunder unless (i) the Debt Service Coverage Ratio for the Housing Facilities is less than 1.00:1.00 at the end of any Fiscal Year or (ii) the Debt Service Coverage Ratio of the University is less than 1.10 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees, rentals, rates and charges and calculating the Debt Service Coverage Ratio for the Housing Facilities and the Debt Service Coverage of the University for this Section, the Board shall take into account payments required to be made into the Series 2004 Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund pursuant to the Series 2004 Indenture, as supplemented and amended by the Series 2013 Indenture. The Board further covenants that it will seek any required approval necessary in order to comply with this covenant.

(ii) The Board covenants that, as long as any bonds, notes, or lease obligations remain outstanding that are payable from Series 2007 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Parking Facilities shall fall below 1.25:1.0, the Board will use its best efforts to continue to levy and collect the fees and charges relating to the Series 2007 Facilities so that within two (2) full semesters after the Debt Service Coverage Ratio for the Parking Facilities shall become deficient, the Debt Service Coverage Ratio for the Parking Facilities equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Parking Facilities shall remain below 1.25:1.0, the Board will be required to hire an outside consultant, approved by the Series 2007 Bond Insurer, and the Board will be required to follow any reasonably feasible recommendations of such consultant regarding

the operation and management of the Series 2007 Facilities. So long as the Board shall be working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio for the Parking Facilities, there will not be an Event of Default under this Facilities Lease unless (i) the Debt Service Coverage Ratio for the Parking Facilities shall be less than 1.25 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees and charges and calculating the Debt Service Coverage Ratio for the Parking Facilities, the Board will be required to take into account payments required to be made into the Series 2007 Debt Service Reserve Fund pursuant to the provisions of the Series 2007 Indenture. The Board will further covenant that it will seek any required approval necessary in order to comply with the covenant described under this subheading.

(i) (i) The University will not build, acquire or renovate any similar student housing facilities, whether such facilities are owned by the University or a private entity, unless (A) the Series 2004 Facilities have met a Debt Service Coverage Ratio for the Housing Facilities of at least 1.25:1.00 for the prior Fiscal Year, (B) the Series 2004 Facilities are projected to meet a Debt Service Coverage Ratio of at least 1.25:1.00 for the Housing Facilities for the two Fiscal Years following the projected completion of the proposed facility and (C) based on a market analysis prepared by a market research company with experience in student or multi-family housing, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Series 2004 Facilities. Such additional student housing facilities owned or leased by the Board or the Corporation shall be incorporated with the Series 2004 Facilities into a single housing system so that such additional student housing facilities and all revenues derived therefrom shall secure the Bonds, and the Series 2004 Facilities and the revenues derived therefrom, including all revenues derived from the Facilities Lease, will secure any debt incurred to finance such additional student housing facilities. In addition, the Mortgage (as defined in the Series 2004 Indenture) shall be amended to encumber any such Additional Housing Facilities and any revenues derived therefrom to secure the Series 2004 Bonds and any debt incurred to finance such Additional Housing Facilities. So long as the Series 2004 Bonds are outstanding, the consent of the Series 2004 Bond Insurer shall also be required prior to the construction, acquisition or renovation of such student housing facilities unless (A) – (C) above have been satisfied.

(ii) Without the prior written consent of the Series 2007 Bond Insurer, the University will not build, acquire or renovate any similar parking facilities, whether such facilities are owned by the University or a private entity, unless (i) the Debt Service Coverage Ratio for the Parking Facilities for the prior Fiscal Year has been met, (ii) the Debt Service Coverage Ratio for the Parking Facilities is projected to be met for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in university parking facilities, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Series 2007 Facilities.

(j) So long as any Series 2004 Bonds remain outstanding, the University shall maintain its policy of requiring all unmarried, full-time undergraduate students with less than 60 credit hours to live in on-campus residence halls. It is understood that the University currently permits certain exceptions to that policy and, except as set forth in Section 4(h) above, the University may continue to permit those exceptions but it shall make no voluntary revisions to such policy that would reduce the number of students required to live in on-campus residence halls (including, without limitation, reducing the number of credit hours to less than 60, increasing the course-load required for status as a "full-time" student or modifying any existing exemptions from the policy), until the Series 2004 Bonds have been paid in full or the Series 2004 Bond Insurer consents in writing to a change in such policy.

(k) So long as any Series 2004 Bonds remain outstanding, the University shall actively promote the Series 2004 Facilities as a housing alternative and an integral part of the housing system of

B-79

the University. The University shall, among other things, provide housing brochures to prospective students and allow signs to be posted to promote the Series 2004 Facilities.

Section 4. Representations and Covenants of the Corporation. The Corporation makes the following representations and covenants:

(a) The Corporation has been validly created under the Louisiana Nonprofit Corporation Law, is currently in good standing under the laws of the State, has the power to enter into the transactions contemplated by, and to carry out its obligations under this Facilities Lease, the Ground Lease and the Agreement. The Corporation is not in breach of or in default under any of the provisions contained in any contract, instrument or agreement to which it is a party or in any other instrument by which it is bound. By proper action, the Corporation has been duly authorized to execute and deliver this Facilities Lease, the Ground Lease and the Agreement;

(b) The execution and delivery of this Facilities Lease, the Ground Lease and the Agreement, and compliance with the provisions thereof and hereof, will not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under any statute, indenture, mortgage, declaration or deed of trust, loan agreement or other agreement or instrument to which the Corporation is a party or by which the Corporation is bound or any order, rule or regulation of any court or Governmental Agency or body having jurisdiction over the Corporation or any of its activities or properties; and all consents, approvals and authorizations which are required of the Corporation for the consummation of the transactions contemplated thereby and hereby have been or timely will be obtained;

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease, the Ground Lease or any agreement or instrument to which the Corporation is a party;

(d) The Corporation will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes.

(e) No bonds, notes or other obligations secured by Series 2007 Lawfully Available Funds may be issued except as Additional Bonds. Additional Bonds may be issued secured by Series 2007 Lawfully Available Funds which will be on a parity with the Series 2007 Bonds only as and to the extent authorized and described in the Series 2007 Indenture, provided that, at the time of issuance thereof, no Event of Default or event which with notice or lapse of time, or both, would constitute an Event of Default shall have occurred and be continuing. The issuance of Additional Bonds is permitted as follows:

(A) Additional Bonds on a parity with the Series 2007 Bonds may be issued with the prior approval of the Series 2007 Bond Insurer but without the need for prior approval of the Bondholders.

(B) Bonds issued to refund the Series 2007 Bonds in their entirety may be issued without the need for prior approval of the Bondholders or the Series 2007 Bond Insurer.

Section 5. Waiver and Disclaimer of Warranties.

(a) The Board acknowledges that the Corporation has not made any representations or warranties as to the suitability or fitness of the Facilities for the needs and purposes of the Board or for any other purpose.

(b) The Board further declares and acknowledges that the Corporation in connection with this Facilities Lease, does not warrant that the Facilities will be upon completion of construction free from redhibitory or latent defects or vices and releases the Corporation of any liability for redhibitory or latent defects or vices under Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695. The Board declares and acknowledges that it does hereby waive the warranty of fitness for intended purposes and guarantee against hidden or latent redhibitory defects and vices under Louisiana law, including Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695, and the warranty imposed by Louisiana Civil Code Articles 2476 and 2695, and waives all rights in redhibition pursuant to Louisiana Civil Code Articles 2520, et seq. The Board further declares and acknowledges that this waiver has been brought to the attention of the Board and explained in detail and that the Board has voluntarily and knowingly consented to this waiver of warranty of fitness and/or warranty against redhibitory defects and vices for the Facilities. Notwithstanding the foregoing, the Board hereby retains all of its rights to proceed against any third parties with respect to such defects.

(c) The Corporation disclaims and the Board waives any warranties and representations with respect to compliance with Governmental Regulations, including Environmental Requirements, or the disposal of, or existence in, on, under, or about the Facilities of any Hazardous Substance. The Board acknowledges that the Corporation reserves in this Facilities Lease all rights to recover from the Board all costs and expenses imposed on the Corporation to bring the Facilities into compliance with any Environmental Requirement, and all costs of Remediation or cleanup of such Hazardous Substance imposed on the Corporation or the Board, which shall be payable by the Board as Additional Rental hereunder to the extent imposed upon the Corporation.

Section 6. Rental

(a) The Board, for and in consideration of the Corporation entering into the Ground Lease, renovating and/or constructing the Facilities in accordance with the Ground Lease and leasing the Facilities to the Board pursuant to the terms hereof, hereby covenants and agrees to pay the Base Rental and Additional Rental in the amounts, subject to amounts for which the Board is entitled to a credit as described in Section 6(d) hereof, at the times and in the manner set forth herein, such amounts constituting in the aggregate the total of the rental payable under this Facilities Lease. The obligation of the Board to make Base Rental and Additional Rental payments shall commence on the Commencement Date and shall not be subject to abatement, set-off or reduction as a result of a failure by the Corporation to complete construction of the Facilities on a timely basis.

(b) (i) The Board agrees to pay Base Rental with respect to the Series 2004 Bonds and the Series 2013 Bonds from the Series 2004 Lawfully Available Funds. Payments of Base Rental with respect to the Series 2004 Bonds and the Series 2013 Bonds shall be due on the dates and in the amounts as hereinafter provided:

(A) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-third (1/3rd) of the interest due and payable on such Bonds on the February 1, 2014 Interest Payment Date and thereafter, on the 25th day of each month, an amount equal to one-sixth (1/6th) of the interest due and payable on such Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series

B-80

2004 Debt Service Fund and the Series 2013 Debt Service Fund will be sufficient to pay interest on such Bonds on such Interest Payment Date;

(B) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, in an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund will be sufficient to pay interest on such Auction Rate Bonds on such Interest Payment Date;

(C) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund will be sufficient to pay interest on such Variable Rate Bonds on such Interest Payment Date;

(D) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, in an amount equal to one-ninth (1/9th) of the principal of the Series 2004 Bonds and the Series 2013 Bonds payable on the August 1, 2014 Principal Payment Date and thereafter, on the twenty-fifth (25th) day of each month, an amount equal to one-twelfth (1/12th) of the principal due and payable on Bonds on the next Principal Payment Date;

(E) On the dates required in the Indenture, to the Trustee for deposit into any of the funds established in the Indenture, including, without limitation, the Series 2004 Debt Service Reserve Fund, the Series 2013 Debt Service Reserve Fund and the Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture; and

(F) Annually, beginning June 25, 2014, an amount equal to \$122,987.38 (representing one-half of one percent (1/2%) of the construction cost of the Facilities), into the Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Series 2004 Bond Insurer.

(ii) The Board agrees to pay Base Rental with respect to the Series 2007 Bonds from Series 2007 Lawfully Available Funds. Payments of Base Rental with respect to the Series 2007 Bonds shall be due on the dates and in the amounts as hereinafter provided:

(A) On the twenty-fifth (25th) day of each month, commencing March 25, 2007, in an amount equal to one-fifth (1/5th) of the interest due and payable on the Series 2007 Bonds on August 1, 2007 and thereafter, on the twenty-fifth (25th) day of each month commencing August 25, 2007, in an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2007 Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2007 Debt Service Fund will be sufficient to pay interest on such Series 2007 Bonds on such Phase Four Interest Payment Date;

(B) On the twenty-fifth (25th) day of each month, commencing March 25, 2007, in an amount equal to one-eleventh (1/11th) of the principal of the Series 2007 Bonds payable on February 1, 2008 and thereafter, on the twenty-fifth (25th) day of each month commencing February 25,

2008, in an amount equal to one-twelfth (1/12th) of the principal of such Series 2007 Bonds payable on the next Phase Four Principal Payment Date;

(C) On the twenty-fifth (25th) day of each month following any drawing on the Series 2007 Debt Service Reserve Fund in accordance with Section 4.18 of the Series 2007 Indenture, an amount equal to the lesser of (i) one twelfth (1/12th) of the amount necessary to cause the amount on deposit in the Series 2007 Debt Service Reserve Fund to equal the Series 2007 Debt Service Reserve Fund Requirement within twelve (12) months or (ii) the excess of the Series 2007 Debt Service Reserve Fund Requirement over the amount on deposit in the Series 2007 Debt Service Reserve Fund;

(D) On the dates required in the Series 2007 Indenture, to the Trustee for deposit into any of the funds established in the Series 2007 Indenture, including, without limitation, the Series 2007 Debt Service Reserve Fund and the Series 2007 Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Series 2007 Indenture; and

(E) Annually, beginning June 25, 2009, an amount equal to one-half of one percent (1/2%) of funds available for construction of the Series 2007 Facilities, as determined by the University, into the Series 2007 Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Series 2007 Bond Insurer.

(c) In addition to the Base Rental set forth herein, the Board agrees to pay as Additional Rental any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation on behalf of the Board and/or by the Board or the University in the management, operation, ownership, and/or maintenance of the Facilities, to the extent such expenses are not paid by the Management Company under any Management Contract, including but not limited to the following costs and expenses:

(i) all taxes, assessments and impositions against the Facilities, including without limitation ad valorem taxes attributed to the Corporation on behalf of the Board (and any tax levied in whole or in part in lieu of or in addition to ad valorem taxes);

(ii) any costs incurred by the Corporation in maintaining the Facilities for the Board and making any alterations, restorations and replacements to the Facilities;

(iii) insurance premiums and other charges for insurance obtained with respect to the Facilities including insurance premiums, if any, on all insurance required under the provisions of Section 9 of this Facilities Lease;

(iv) any Default or Delay Rentals;

(v) all costs incurred by the Corporation in connection with its performance of its obligations relating to the Facilities and/or the Land under the Ground Lease and this Facilities Lease;

(vi) all Administrative Expenses owed to the Issuer or the Trustee;

(vii) Litigation Expenses, if any, incurred pursuant to Section 43 hereof;

(viii) any reimbursement amounts payable pursuant to Section 20 hereof or pursuant to any other provision hereof; and

(ix) any other costs, charges, and expenses commonly regarded as ownership, management, maintenance, and operating expenses, if any, incurred by the Corporation under this Facilities Lease.

Amounts constituting Additional Rental payable hereunder shall be paid by the Board directly to the person or persons to whom such amounts shall be due. The Board shall pay all such amounts when due or within thirty (30) days after notice in writing from the Corporation, the Management Company, or the Trustee to the Board stating the amount of the Additional Rental then due and the purpose thereof.

(d) The Board shall be entitled to a credit against and reduction of each Base Rental payment in an amount equal to any amounts derived from the following sources:

(i) Accrued interest derived from the sale of the Bonds;

(ii) Any capitalization of interest from the proceeds of the Bonds contained in the Capitalized Interest Fund under the Indenture;

(iii) the Rents and any other monies deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement.

(iv) Surplus moneys (including investment earnings) contained in the funds and accounts held by the Trustee under the Indenture, including the Debt Service Fund, the Debt Service Reserve Fund and the Replacement Fund;

(e) Notwithstanding any other provision of the Facilities Lease, the obligation of the Board to make payments under this Facilities Lease, including payments of Base Rental and Additional Rental, shall be subject to, and dependent upon, appropriation of Lawfully Available Funds necessary to make the payments required under this Facilities Lease. The Vice President for Finance and Administration of the Board shall cause the University to include in the Budget and, if necessary, any amendments to the Budget, an amount of Lawfully Available Funds sufficient to make the payments of Base Rental and Additional Rental described herein which amounts may or may not ultimately be appropriated by the Board for such purpose. Subject to the foregoing and Section 29 hereof, the obligations of the Board to make payments pursuant to this Facilities Lease, and to perform and observe the other agreements and covenants on its part contained herein, shall be absolute and unconditional and shall not be subject to any diminution, abatement, set-off, or counterclaim. Subject to the foregoing and Section 29 hereof, until such time as the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with this Facilities Lease, the Board shall not suspend or discontinue payment of Rental or any other payments pursuant to this Facilities Lease for any cause, and shall continue to perform and observe all of its agreements contained in this Facilities Lease. The Corporation and the Board acknowledge and agree that the obligation of the Board to pay Rental shall constitute a current expense of the Board payable by the Board from funds budgeted and appropriated in accordance with law for and in consideration of the right to use the Facilities during the Term and that such obligation shall not in any manner be construed to be a debt of the Board in contravention of any constitutional or statutory limitations or requirements concerning indebtedness of the Board and nothing contained herein shall constitute a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

(f) The payments of Base Rental and Additional Rental under this Facilities Lease for each Fiscal Year or portion thereof during the Term shall constitute the total Rental for such Fiscal Year or portion thereof and shall be paid by the Board for and in consideration of the construction by the

Corporation of the Facilities and the right to the use and occupancy of the Facilities by the Board for and during such Fiscal Year or portion thereof.

(g) Amounts necessary to pay each Base Rental payment shall be deposited by the Board on the dates set forth in Section 6(b) hereof in lawful money of the United States of America at the office of the Trustee or at such other place or places as may be established by the Corporation and/or Trustee in accordance with the Indenture. Any amount necessary to pay any Base Rental payment or portion thereof which is not so deposited shall remain due and payable until received by the Trustee. Notwithstanding any dispute between the Board and the Corporation hereunder, the Board shall make all Rental payments when due and shall not withhold payment of any Rental pending the final resolution of such dispute or for any other reason whatsoever.

(h) This Facilities Lease is intended to be a triple net lease. The Board agrees that the Rental provided for herein shall be an absolute net return to the Corporation free and clear of any expenses, charges, taxes, abatements, counterclaims, reductions or set-offs whatsoever of any kind, character or nature; it being understood and agreed to by the Board that the Board shall bear responsibility for the payment of all costs and expenses associated with the ownership, management, operation, and maintenance of the Facilities. Under no circumstances will the Corporation be required to make any payment on the Board's behalf or for the Board's benefit under this Facilities Lease, or assume any monetary obligation of the Board under this Facilities Lease, or with respect to the Facilities.

(i) The State, through the Division of Administration, is not, at any time whatsoever, obligated, committed or required to provide funds by legislative appropriation or any other means to pay debt service on the Bonds or to support the continued operation and maintenance of the Facilities and Stadium Expansion, it being understood that the portion of the lease payments payable by the Board under this Facilities Lease for payment of debt service on the Bonds are payable solely from the Lawfully Available Funds and the Board is not legally committed, obligated or required to make available any other funds to make the lease payments hereunder.

(j) In addition to the Rental payments required hereby, the Board covenants and agrees to make an Extraordinary Rental payment to refund a portion of the Series 2004 Bonds, from funds on hand or collected by the Board, not to exceed \$9,000,000.

Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service.

(a) The University, at the direction of the Board, shall be responsible for ensuring that all services necessary or required in order to adequately operate the Facilities in accordance with the Permitted Use are provided and maintained. The University shall continuously operate or cause to be operated the Facilities from the Commencement Date and continuing for the remainder of the Term for the Permitted Use, and in accordance with all Governmental Regulations. The Corporation may contract with a Management Company, subject to the approval of the Board, to provide operations and management services for the Facilities. All Rents collected by a Management Company under a Management Agreement shall be deposited in an operating account and transferred daily to the Trustee in accordance with the Indenture.

(b) The University, at the direction of the Board, shall be responsible for maintaining the Facilities and shall make or contract or cause to be made or contracted with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Facilities, including without limitation the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, and foundations, fixtures, equipment, and appurtenances to the Facilities as and when needed to

B-82

preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are at the fault of the Board, the Corporation or some Other Party. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class presently located in the Facilities.

(c) The University, at the direction of the Board, shall have the right during the Term to cause the Corporation or some other Party to make or construct any additions or improvements to the Facilities, alter the Facilities, attach fixtures, structures, or signs to or on the Facilities, and affix personal property to the Facilities without the Corporation's prior written consent to the extent allowed under the terms of any insurance covering the Facilities. All such alterations, improvements, additions, attachments, repairs, restorations, and replacements of all or any portion of the Facilities shall (i) be at the sole cost and expense of the University; (ii) not reduce the then fair market value of the Facilities; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations.

(d) The University, at the direction of the Board, shall provide or cause to be provided all security service, custodial service, janitorial service, trash disposal, and all other services necessary for the proper upkeep and maintenance of the Facilities as required herein. The Board acknowledges that the Corporation has made no representation or warranty with respect to systems and/or procedures for the security of the Facilities, any persons occupying, using or entering the Facilities, or any equipment, furnishings, or contents of the Facilities. It is the sole responsibility of the Board, through the University to cause to be provided or to provide for the security of persons on or entering the Facilities and/or property located at the Facilities, in accordance with reasonable and prudent business practices.

Section 8. Utilities. All utilities which are used or consumed in or upon or in connection with the Facilities during the Term, including, without limitation water, gas, electricity, sewerage, garbage, or trash removal, light, cable, heat, telephone, power, computer data and other utilities necessary for the operation of the Facilities (the "Utility Service") shall be the responsibility of the Board and/or the students, faculty, staff or Permitted Sublessees residing in the Facilities. Payments for Utility Services provided to the entire Facilities or to the common areas of the Facilities under such contract or contracts therefor as the Board may make shall be made by the Board directly to the respective utility companies furnishing such Utility Services.

The Corporation shall have no responsibility to the Board for the quality or availability of Utility Service to the Facilities, or for the cost to procure Utility Service. The Corporation shall not be in Default under this Facilities Lease or be liable to the Board or any other Person for direct or consequential damage, or otherwise, for any failure in supply of any Utility Service, heat, air conditioning, elevator service, cleaning service, lighting, security, or for surges or interruptions of electricity.

Section 9. Insurance.

(a) The University, at the direction of the Board, shall cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Facilities against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance shall be not less than the full replacement cost of the Facilities, without deduction for depreciation. In the event that the Facilities are not repaired or replaced, insurance proceeds shall be no greater than the actual cash value (replacement cost less depreciation) of the Facilities at the

time of the loss. The policy shall be adjusted to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the Corporation in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(v) A policy of rental interruption insurance in the amount of at least one (1) year's rental in the event of loss of or damage to the Series 2004 Facilities.

(b) The Corporation shall:

(i) cause to be secured and maintained a policy of title insurance insuring the Corporation's leasehold interest under the Ground Lease in an amount equal to the par amount of the Bonds; and

(ii) cause all of the construction professionals to secure and maintain:

- (A) Comprehensive or Commercial General Liability insurance;
- (B) Errors and Omissions insurance;
- (C) Automobile Liability insurance;
- (D) Worker's Compensation insurance;
- (E) an all Risk Builder's Policy upon the construction on the Property; and
- (F) boiler and machinery or additional property insurance;

all as required by the terms of any construction contracts entered into with regards to the demolition of certain existing facilities and the renovation, development and construction of the Facilities.

All insurance required in this Section and all renewals of such insurance (excepting self-insurance or commercial insurance, through ORM) shall be issued by commercial insurers authorized to transact

B-83

business in the State, and rated at least A- by Best's Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody's. All insurance policies provided or caused to be provided by the Corporation shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to the University and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the Corporation or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University is obligated to maintain according to this Facilities Lease (other than any policy of worker's compensation insurance) will name the Corporation, the Trustee and such other Persons or firms as the University may be required to name from time to time as additional insureds and shall expressly provide that the policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Corporation and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the University or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University shall be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured with respect to destruction of or damage to any portion of the Facilities by fire, earthquake or other casualty or event shall be paid to the Trustee (or, in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of Section 11 of this Facilities Lease and the Indenture.

The Corporation shall certify annually to the Series 2004 Bond Insurer and the Series 2007 Bond Insurer that all insurance policies required by this Section 9 are as of the date of such certification in place and in effect.

Section 10. Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively "*Expropriation*") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

Section 11. Application of Insurance Proceeds: Condemnation Award. (a) If during construction, all or any portion of the Facilities is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Facilities by the Board on behalf of the Corporation, the Board shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in trust (or in the case of self-insurance through ORM, as set forth in paragraph

(b) below), and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee in accordance with the terms of the Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore or replace the Facilities, the proceeds shall be paid to the Board for immediate delivery to Trustee and used to redeem the Outstanding Bonds.

Notwithstanding the foregoing, the Corporation's obligation to replace the Facilities in the event of Expropriation Proceedings is dependent on the Board entering into a lease with a different portion of the Campus as provided in Section 13.03 of the Ground Lease. In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities, the Corporation and the Board agree to amend or enter into a new Facilities Lease and Ground Lease in accordance with Sections 13.03 of the Ground Lease. In the event the Board, pursuant to the Ground Lease, decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Bonds in accordance with the terms of the Indenture, and this Facilities Lease and the Ground Lease shall terminate on the date that the events described in Section 2(a) or 2(b) hereof have occurred.

(b) In the event that ORM insures the Facilities, the Board shall use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 12. Encumbrances.

(a) Payment by the Board. The Board shall pay or cause to be paid all costs and charges for alterations, improvements, additions, repairs and maintenance ("*Work*") (i) done by the Board or caused to be done by the Board in or to the Facilities, and (ii) for all materials furnished for or in connection with such Work. The Corporation reserves all rights to collect for any loss or damage sustained or incurred by the Corporation resulting from any and all Encumbrances, demands or liabilities arising on account of the Work, which shall be payable by the Board as Additional Rent hereunder.

(b) Failure to Discharge. If the Board fails to pay any charge for which an Encumbrance has been filed, and the Facilities or any portion thereof is placed in imminent danger of being seized, the Corporation may, but shall not be obligated to, pay such charge and related costs and interest, and the amount so paid, together with reasonable Legal Expenses incurred in connection with such Encumbrance, will be immediately due from the Board to the Corporation as Additional Rental. Nothing contained in

this Facilities Lease will be deemed the consent or agreement of the Corporation to subject the Corporation's interest in the Facilities to liability under any Encumbrance, or any mechanics', materialman's or other lien law. If the Board receives written notice that an Encumbrance has been or is about to be filed against the Facilities, or that any action affecting title to the Facilities has been commenced on account of Work done by or for the Board or for materials furnished to or for the Board, it shall immediately give the Corporation Notice of such notice.

(c) *Notice of Work.* At least fifteen (15) days prior to the commencement of any Work in or to the Facilities, by or for the University, the University shall give the Corporation Notice of the proposed Work and the names and addresses of the Persons supplying labor and materials for the proposed Work. The Corporation will have the right to post notices of nonresponsibility or similar written notices on the Facilities in order to protect the Facilities against any such claimants.

Section 13. Assignment and Sublease. (a) Neither this Facilities Lease nor any interest of the Board in the Facilities shall be mortgaged, pledged, assigned or transferred by the Board by voluntary act or by operation of law, or otherwise; provided, however, the Board may sublease all or any portion of the Facilities, or grant concessions involving the use of all or any portion of the Facilities, whether such concessions purport to convey a leasehold interest or a license to use all or a portion of the Facilities to any University student, faculty, staff or Permitted Sublessee. No such concession, leasehold interest or license to use the Facilities shall be granted to any University students, faculty or staff for a term of more than one (1) year, or to any Permitted Sublessee for a term of more than one (1) month. The Board shall, however, at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Facilities Lease (including, without limitation, the payment of Base Rental and Additional Rental), notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the Board from its obligations to pay Base Rental and Additional Rental as provided in this Facilities Lease or to relieve the Board from any other obligations contained herein. Other than subleases to University students, faculty, staff and Permitted Sublessees, in no event will the Board sublease or permit the use of all or any part of the Facilities to any person without an opinion of Bond Counsel that such will not cause interest on the Bonds to be included in the gross income of the owners of the Series 2004A Bonds and the Series 2004B Bonds for federal income tax purposes.

(b) The Corporation shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Facilities Lease, including without limitation its right to receive Base Rental payable hereunder, to the Issuer pursuant to the Agreement, and the Issuer will in turn assign its rights under this Facilities Lease to the Trustee pursuant to the Indenture. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith. Anything required or permitted to be done by the Corporation under this Facilities Lease may be done by the Trustee under the Indenture.

(c) Except as set forth in Section 13(b) hereof, the Corporation shall not sell or assign its interest in the Facility or this Facilities Lease without the prior written consent of the Board.

Section 14. Additions and Improvements Removal. At the expiration of the Term, or termination of this Facilities Lease, all alterations, fixtures, improvements and additions made by the Board or the University and all equipment placed upon the Facilities that are incorporated into or made into component parts of the Facilities, as well as, title to all property, furniture, equipment, fixtures, and other property installed at or placed upon the Facilities by the Board which is not incorporated into or made a component part of the Facilities remain the property of the Board.

The Board hereby agrees to replace such property from time to time as such property becomes worn out, obsolete, inadequate, unsuitable or undesirable. The Board may add to or remove such property from time to time, and upon expiration of the Term, provided that the Board repairs any damage to the Facilities caused by such removal.

Section 15. Right of Entry. Representatives of the Corporation and the Bond Insurer shall, subject to reasonable security precautions, and upon giving the Board not less than twenty-four (24) hours advance Notice, have the right to enter upon the Facilities during reasonable business hours (and in emergencies without notice and at all times) accompanied by a Board Representative (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Corporation under this Facilities Lease, or (iii) for all other lawful purposes. Any right of access to any portion of the Facilities leased to the students, faculty, staff or Permitted Sublessees shall be subject to their rights pursuant to their rental agreements and University policy.

Section 16. Mortgage Prohibition. Except as set forth in the Indenture, the Ground Lease and the Agreement, the Corporation shall not be entitled to mortgage or grant a security interest in the Facilities.

Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest. If a person other than the Corporation shall succeed to the rights of the Corporation hereunder (in any case with the prior written consent of the Board as required hereby), upon the declaration of the successor to the Corporation's interest in this Facilities Lease, the Board agrees to fully attorn to and recognize any such successor as the Board's landlord under this Facilities Lease upon the then existing terms of this Facilities Lease, provided that such successor shall agree in writing to accept the Board's attornment and not to disturb the Board's possession so long as the Board shall observe the provisions and all covenants of this Facilities Lease. This attornment provision shall inure to the benefit of any such successor and shall be self-operative upon the election and declaration by such successor, and no further instrument shall be required to give effect to the provisions. However, the Board agrees to evidence and confirm the foregoing attornment provisions by the execution and delivery of instruments in recordable form satisfactory to such successor.

If the Facilities, or any part thereof, shall be sold or otherwise transferred by sale, assignment, transfer or other contract, or by operation of law or otherwise (with the prior written consent of the Board as required hereby and with an opinion of Bond Counsel that such action will not cause interest on the Bonds to be included in the gross income of the owner of the Bonds for federal tax purposes), and if such written consent specifically so provides, the Corporation shall be automatically and entirely released and discharged to the extent of the interest in or the portion of the Facilities sold, assigned or transferred from and after the effective date of such sale, assignment or transfer of all liability for the performance of any of the covenants of this Facilities Lease on the part of the Corporation thereafter to be performed. The purchaser or other transferee of the Facilities shall be deemed to have agreed to perform such covenants of the Corporation from and after the date of such assignment or sale during such transferee's period of ownership of the Corporation's interest under this Facilities Lease, all without further agreement between the Corporation, its successor and the Board. The Corporation's transferee shall not be held responsible for the performance of any of the covenants of this Facilities Lease on the part of the Corporation required to be performed prior to such sale and transfer, the Board reserving its rights against the Corporation for any unperformed covenants prior to such sale or transfer.

Section 18. Quiet Enjoyment. The Corporation covenants that the Board, on paying the Rental and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Board or the University, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Facilities during the Term and may exercise all of its rights hereunder; and the

Corporation agrees to warrant and forever defend the Board's right to such occupancy, use, and enjoyment and the title to the Facilities against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Facilities Lease.

Section 19. Environmental Compliance and Indemnity.

(a) *Environmental Compliance.* The Board or the University shall operate or cause to be operated the Facilities in compliance with all Environmental Requirements continuously during the Term, and for such periods of time prior to the Commencement Date and after the Expiration Date, as long as the Board is in possession of the Facilities, in whole or in part. The Board shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Facilities or the Land, except for such Hazardous Substance as is necessary or useful to the operation of the Facilities.

(b) *The Board's Liability.* If the Board fails to comply with any of the foregoing warranties, representations, and covenants, and removal or Remediation of any Hazardous Substance found on the Facilities is required by Environmental Requirements or Governmental Authority, the Board shall promptly undertake the removal or Remediation of such Hazardous Substance, at the Board's sole cost and expense. In the event the Board fails or refuses to undertake such removal or Remedial actions, the Corporation may cause the removal or Remediation (or other cleanup reasonable acceptable to the Corporation) of any such Hazardous Substance from the Land or the Facilities. The reasonable costs of removal, Remediation, or any other cleanup (including transportation and storage costs) will be considered as Additional Rental under this Facilities Lease, whether or not a court has ordered the cleanup, and those costs will become due and payable within ninety (90) days of written demand by the Corporation. In connection therewith, the Board will give the Corporation, its agents, and employees access to the Facilities to remove, remediate, or otherwise clean up any Hazardous Substance. The Corporation, however, has no affirmative obligation to remove, remediate, or otherwise clean up any Hazardous Substance, and this Facilities Lease will not be construed as creating any such obligation. The Board hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of any Hazardous Substance located in or about the Facilities by the Board.

Section 20. The Corporation's Reservation of Rights.

(a) The Corporation hereby reserves all of its rights to recover from the Board for any and all Claims asserted against the Corporation, including Litigation Expenses arising out of or by reason of:

(i) any injury to or death of any person or damage to property occurring on or about the Facilities occasioned by or growing out of or arising or resulting from any tortious or negligent act on the part of the Board in connection with the operation and management of the Facilities; or

(ii) any failure, breach, or default on the part of the Board in the performance of or compliance with any of the obligations of the Board under the terms of this Facilities Lease.

(b) Notwithstanding the fact that it is the intention of the parties that the Corporation shall not incur any pecuniary liability by reason of the terms of this Facilities Lease or the undertakings required of the Corporation hereunder, nevertheless, if the Corporation should incur any such pecuniary liability, then in that event, the Corporation shall be entitled to assert all rights and remedies granted in law or in equity to recover from the Board the amount of any pecuniary liability incurred by the Corporation, plus all Litigation Expenses incurred in defense of such liability to the extent subject to indemnification pursuant to Subsection (a) above.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Corporation contained in this Facilities Lease or any Claim based thereon against the Corporation or of any successor thereto or member thereof, either directly or through the Corporation whether by virtue of any constitutional provision, statute, or rule of law. This Facilities Lease and the obligations of the Corporation hereunder, and any Claim asserted against the Corporation are solely corporate obligations, and the enforcement of any obligation or Claim shall be limited solely to the Corporation's interest in the Facilities. No personal liability shall attach to, or be incurred by, any officer, director, agent, employee or member of the Corporation and the Board acknowledges that all personal liability of any character against every such officer, director, agent, employee or member by the execution of this Facilities Lease, is expressly waived and released. The immunity of any officer, director, agent, employee or member of the Corporation under the provisions contained in this Section 20 shall survive any acquisition of the Facilities by the Board and the expiration or other termination of this Facilities Lease.

Section 21. Default by the Board. If (i) the Board shall fail to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to Section 6 hereof by the close of business on the day such deposit is required pursuant to Section 6 hereof, and shall fail to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under this Lease (other than the payment of Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants or conditions herein, and shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or such longer period as the Trustee may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board shall be deemed to be in default hereunder, and the Corporation shall have the right, at its option, without any further demand or notice to terminate this Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board, in which case the Board's right to possession of the Facilities will cease and this Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing for the period up to the time the Corporation regains possession (which have been approved for payment under this Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board which survive termination of this Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Facilities and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry shall be allowed by the Board without hindrance, and the Corporation shall not be liable in damages for any such re-entry or be guilty of trespass. The Corporation understands and agrees that upon its termination of the Board's right to possession of the Facilities or termination of this Facilities Lease, the Corporation upon its re-entry of the Facilities shall only be allowed to use the Facilities for the Permitted Use and shall be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Facilities.

Notwithstanding any other provision of this Facilities Lease, (i) in no event shall the Corporation have the right to accelerate the payment of any Base Rental payment hereunder and (ii) the Bond Insurer shall have ninety (90) days to cure an Event of Default hereunder.

Notwithstanding anything contained in this Section 21 to the contrary, a failure by the Board to pay when due any payment required to be made under this Facilities Lease or a failure by the Board to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Facilities Lease, resulting from a failure by the Board to appropriate moneys shall not constitute an Event of Default under this Section 21 and the Corporation shall not have any of the remedial rights set

forth in this Section 21. Notwithstanding the foregoing, in such event the Board acknowledges that the Facilities Lease shall terminate and the Board shall immediately vacate the Facilities, and deliver the Facilities to the Corporation.

Section 22. Cumulative Remedies. Each right and remedy provided for in this Facilities Lease is cumulative and is in addition to every other right or remedy provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of any or all other rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of this Facilities Lease or to enforce any provision of this Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by the Board of any breach by the Corporation of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 23. Option to Purchase. For and in consideration of the obligations of the Board under the Facilities Lease, the mutual undertakings of the parties, the receipt and adequacy of which is hereby acknowledged, the Corporation grants to the Board an exclusive and irrevocable option to purchase for the price and on the terms, provisions, stipulations and conditions hereinafter set forth, all but not less than all of the Corporation's leasehold interest in the Facilities.

(a) Effective Date. The effective date of this Option agreement shall be the Commencement Date.

(b) Term of Option. The Option shall expire at midnight Central Standard Time, on the Expiration Date, or upon the termination of this Facilities Lease, whichever occurs first.

(c) Limitation on Exercise of Option. The Board may not exercise the Option, and the Option shall be voidable, at the sole election of the Corporation, if a Default by the Board has occurred and is continuing under the Facilities Lease, and the applicable time period in which the Board may cure such default has expired. Notwithstanding any provision of this Option to the contrary, the Board shall be entitled to exercise the Option as long as the Board is legally obligated to make payments of Base Rental under the Facilities Lease.

(d) Exercise of Option.

(i) The Series 2004 Facilities. The Board may exercise the Option herein granted with respect to the Series 2004 Facilities at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Series 2004 Bonds and the Series 2013 Bonds are defeased pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Series 2004 Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Facilities

(ii) The Series 2007 Facilities. The Board may exercise the Option herein granted with respect to the Series 2007 Facilities at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Series 2007 Bonds are defeased

pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Series 2007 Facilities.

(e) Purchase Price. The Purchase Price shall be equal to the principal of all Bonds then Outstanding plus the interest to accrue on such Bonds until the purchase date plus any prepayment penalties, charges or costs for early prepayment or defeasance of the Bonds and any Administrative Expenses owed prior to the purchase date which payments are necessary to discharge the Indenture pursuant to Article XII thereof (collectively, the "Purchase Price").

(f) Effect on Facilities Lease and Ground Lease. Upon the purchase of the Corporation's leasehold interest in the Facilities by the Board pursuant to this Option, the Facilities Lease and the Ground Lease shall terminate and all of the Corporation's leasehold interest in the Land and the Facilities shall terminate.

(g) Payment of Purchase Price. The Board, on the purchase date, shall deposit an amount equal to the Purchase Price with the Trustee.

(i) Conveyance. In the event of and upon the payment of the Purchase Price and any other sums due under this Facilities Lease by the Board, the Corporation will on the purchase date execute and deliver to the Board a written cancellation of the Ground Lease and this Facilities Lease.

(ii) Assignment of Contract Rights and Obligations. The conveyance of the Corporation's leasehold interest in the Facilities shall also effect a transfer and assignment of all rights, warranties and liabilities of the Corporation under then existing contracts of any nature with respect to the Facilities.

(h) Closing. In the event the Option is timely exercised, notice of the Board's election to the Corporation shall constitute an irrevocable conversion of the Option into a binding obligation of the Corporation to sell its leasehold interest in the Facilities and the Board to buy the same under the terms and conditions set forth in this Section 23, and in such event, the Corporation and the Board shall have the right to demand specific performance of this agreement by the other. The closing shall occur at the offices of the Board or its counsel, or at such other time, place, and date as agreed upon by the Corporation and the Board.

(i) Closing Costs. The Board shall pay all closing costs and charges incident to the conveyance of the Corporation's interest in the Land and the Facilities.

(j) No Warranty. The Corporation shall convey its leasehold interest in the Facilities without any warranty whatsoever of any nature. The conveyance of the leasehold interest in the Facilities shall be without any warranty as to fitness and condition, as set forth in Section 5 of this Facilities Lease. Language substantially similar to the language contained in Section 5 of this Facilities Lease shall be incorporated into and made a part of such conveyance. In no event shall the Corporation be responsible for any defects in title.

(k) Default under the Option:

(i) In the event the Option is exercised, and the Corporation fails to consummate the transactions contemplated herein for any reason, except default by the Board or the failure of the Board to satisfy any of the conditions set forth herein, the Board may, in addition to any other rights and remedies which may otherwise be available to the Board, enforce this agreement by specific performance. The

Board's remedies under this Section are expressly subject to the provisions of Section 30 of this Facilities Lease.

(ii) In the event the Option is exercised, and the Board fails to consummate the transactions contemplated herein for any reason, except default by the Corporation or the failure of the Corporation to satisfy any of the conditions set forth herein, the Corporation (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the Board's delay; or (b) may bring suit for damages for breach of this agreement.

(iii) No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Section 23 shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any condition or any subsequent breach of the same or any other term, covenant or condition contained in this Section 23 shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

(l) *Attorney's Fees.* Should either party employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this agreement, or to recover damages for the breach of this agreement, the party prevailing in any final judgment shall have the right to collect from the losing party all Litigation Expenses incurred in enforcing such rights.

(m) *Notices.* Any notices required or permitted under this Section 23 shall be in writing and delivered either in person to the other party, or the other party's authorized agent, or by United States Certified Mail, return receipt requested, postage prepaid, to the address set forth in Section 51 of this Facilities Lease, or to such other address as either party may designate in writing and delivered as herein provided.

(n) *Assignability.* Except as set forth in the Indenture, the Mortgage or the Ground Lease, the Option may not be assigned by the Corporation or its interest in the Facilities sold (subject to the Option or otherwise) to any person or entity without the Board's prior written consent, which consent may be withheld by the Board in its sole discretion.

(o) *Time of Essence:* Time is of the essence of this Option.

(p) *Binding Effect:* This Option shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors and assigns.

Section 24. *Severability.* If any provisions of this Facilities Lease shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable, to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Facilities Lease shall not affect the remaining portions of this Facilities Lease, or any part thereof.

Section 25. *Redemption of Bonds.* The Corporation agrees that it will not exercise its option to redeem any Bonds pursuant to the Indenture unless the Board consents to such redemption or such redemption is to be effected with moneys derived from a source other than payments made by the Board under this Facilities Lease, however, in no event shall the mandatory redemption of any Bonds pursuant

to the Indenture require the consent of the Board. The Corporation further agrees that if requested by the Board it will take all actions necessary to redeem all or any portion of the Bonds designated by the Board on the first date that it may do so under the terms of the Indenture so long as the Board agrees to provide funds in an amount, and at the time, required to effect such redemption.

Section 26. *Additional Bonds.* Upon the request and at the expense of the Board, the Corporation shall take action as may be required to effect the issuance of Additional Bonds in such amount as the Board may request as permitted by and in accordance with the provisions of the Indenture for any purpose permitted thereby.

Section 27. *Execution.* This Facilities Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which together shall constitute one and the same Facilities Lease.

Section 28. *Law Governing.* This Facilities Lease is made in the State under the constitution and laws of the State and is to be governed by the laws of the State.

Section 29. *Nonappropriation of Funds.* In the event no funds or insufficient funds are lawfully appropriated in any Fiscal Year enabling the payment of Base Rental and Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the month following the Base Rental payment date on which the last payment of Base Rental can be made in full from Lawfully Available Funds, this Facilities Lease shall terminate without penalty or expense to the Board of any kind whatsoever, except as to the portions of Base Rental and Additional Rental payments herein agreed upon for Fiscal Years for which sufficient funds have been lawfully appropriated. In the event of such termination, the Board agrees peaceably to surrender possession of the Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Facilities and re-let or sell the Facilities as the Corporation determines and as granted in this Facilities Lease. The Board acknowledges that the Corporation's rights to take possession and to re-let or sell the Facilities under this Section 29 may be assigned to the Trustee for the benefit of the owners of the Bonds, and the Board agrees that the Trustee shall be entitled to exercise all of the rights of the Corporation under this Section 29. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under this Facilities Lease shall not constitute a default hereunder, but shall ipso facto terminate this Facilities Lease. This provision is operative notwithstanding any provisions of this Facilities Lease to the contrary. The Board shall be considered in default hereunder if sufficient funds are lawfully appropriated for the payment of Rental required under this Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation shall be entitled to the rights and remedies set forth in Sections 21 and 22 hereof.

Section 30. *Exculpatory Provision.* In the exercise of the powers of the Corporation and its trustees, officers, employees and agents under this Facilities Lease and the Indenture, the Corporation shall not be accountable or liable to the Board (i) for any actions taken or omitted by it or its officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Facilities Lease against any officer, employee or agent of the Corporation in his or her personal capacity, all such liability, if any, being expressly waived by the Board by the execution of this Facilities Lease. Nothing in this Facilities Lease or the Indenture is intended to require or obligate, nor shall anything herein or therein be interpreted to require or obligate, the Corporation for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Corporation other than the funds derived from the

issuance of the Bonds under the Indenture and moneys derived pursuant to the Indenture and this Facilities Lease.

The Board specifically agrees to look solely to the Corporation's interest in the Facilities for the recovery of any judgments from the Corporation. It is agreed that the Corporation will not be personally liable for any such judgments, or incur any pecuniary liability as a result of this Facilities Lease to the Board, or the breach of its obligations hereunder. The Corporation's liability under this Facilities Lease is "in rem" as to its interest in the Facilities. The provisions contained in the preceding sentences are not intended to and will not limit any right that the Board might otherwise have to obtain injunctive relief against the Corporation or relief in any suit or action in connection with enforcement or collection of amounts that may become owing or payable under or on account of insurance maintained by the Corporation.

Section 31. Amendments. This Facilities Lease may be amended only as permitted in Article VIII of the Agreement.

Section 32. Recording. The Corporation covenants and agrees that it will promptly record and from time to time re-record a memorandum in recordable form of this Facilities Lease and the Indenture and all supplements thereto and hereto in such manner and in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Bonds.

Section 33. Construction Against Drafting Party. The Corporation and the Board acknowledge that each of them and their counsel have had an opportunity to review this Facilities Lease and that each Party was responsible for the drafting thereof.

Section 34. Time of the Essence. Time is of the essence of each and every provision of this Facilities Lease.

Section 35. No Waiver. The waiver by the Corporation of any agreement, condition, or provision contained in this Facilities Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Facilities Lease, nor will any custom or practice that may grow up between the parties in the administration of the terms of this Facilities Lease be construed to waive or to lessen the right of the Corporation to insist upon the performance by the Board in strict accordance with the terms of this Facilities Lease. The subsequent acceptance of Rental by the Corporation will not be deemed to be a waiver of any preceding breach by the Board of any agreement, condition, or provision of this Facilities Lease, other than the failure of the Board to pay the particular Rental so accepted, regardless of the Corporation's knowledge of such preceding breach at the time of acceptance of such Rental.

Section 36. Survival. To the extent permitted by law and to the extent such will not constitute the incurrence of debt by the Board, all of the Corporation's remedies and rights of recovery under Sections 19 and 20 of this Facilities Lease shall survive the Term and/or the purchase of the Facilities by the Board under the Option.

Section 37. Counterparts. This Facilities Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

Section 38. Estoppel Certificates. At any time and from time to time but within ten (10) days after prior written request by the Corporation, the Board will execute, acknowledge, and deliver to the Corporation, promptly upon request but only to the extent accurate, a certificate certifying (i) that this

Facilities Lease is unmodified and in full force and effect or, if there have been modifications, that this Facilities Lease is in full force and effect, as modified, and stating the date and nature of each modification; (ii) the date, if any, to which Rental and other sums payable under this Facilities Lease have been paid; (iii) that no Notice of any default has been delivered to the Corporation which default has not been cured, except as to defaults specified in said certificate; (iv) that there is no Event of Default under this Facilities Lease or an event which, with Notice or the passage of time, or both, would result in an Event of Default under this Facilities Lease, except for defaults specified in said certificate; and (v) such other matters as may be reasonably requested by the Corporation. Any such certificate may be relied upon by any prospective purchaser or existing or prospective mortgagee of the Facilities or any part thereof. The Board's failure to notify the Corporation of any inaccuracies in the proposed certificate within the specified time period shall be conclusive evidence that the matters set forth in the certificate are accurate and correct.

Section 39. Waiver of Jury Trial. The Corporation and the Board waive trial by jury in any action, proceeding, or counterclaim brought by either of the Parties to this Facilities Lease against the other on any matters whatsoever arising out of or in any way connected with this Facilities Lease, the relationship of the Corporation and the Board, the Board's use or occupancy of the Facilities, or any other Claims, and any emergency statutory or any other statutory remedy.

Section 40. Written Amendment Required. No amendment, alteration, modification of, or addition to the Facilities Lease will be valid or binding unless expressed in writing and signed by the Corporation and the Board and consented to the extent required by Article VIII of the Agreement.

Section 41. Entire Agreement. This Facilities Lease, the exhibits and addenda, if any, contain the entire agreement between the Corporation and the Board. No promises or representations, except as contained in this Facilities Lease, have been made to the Board respecting the condition or the manner of operating the Facilities.

Section 42. Signs. The Board may attach any sign on any part of the Facilities, or in the halls, lobbies, windows, or elevator banks of the Facilities, without the Corporation approval. The Board may name the Facilities and change the name, number, or designation of the Facilities, without the Corporation's prior consent.

Section 43. Litigation Expenses. The Board will pay the Corporation as Additional Rental all reasonable Litigation Expenses and all other reasonable expenses which may be incurred by the Corporation in enforcing any of the obligations of the Board under this Facilities Lease, in exercising its rights to recover against the Board for loss or damage sustained in accordance with the provisions of this Facilities Lease, or in any litigation or negotiation in which the Corporation shall, without its fault, become involved through or because of this Facilities Lease.

Section 44. Brokers. The Corporation and the Board respectively represent and warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Facilities.

Section 45. No Easements for Air or Light. Any diminution or shutting off of light, air, or view by any structure that may be erected on any of the lands constituting the Facilities, or on lands adjacent to the Facilities, will in no way affect this Facilities Lease or impose any liability on the Corporation. This Facilities Lease does not grant any rights to light, view and/or air over the Facilities whatsoever.

B-89

Section 46. Binding Effect. The covenants, conditions, and agreements contained in this Facilities Lease will bind and inure to the benefit of the Corporation and the Board and their respective permitted successors and assigns.

Hammond, Louisiana 70402
Attention: Executive Director

With copies at the same time to:

Seale & Ross
200 North Cate Street
Hammond, Louisiana 70404
Attention: T. Jay Seale

The Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

Trustee:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

Section 47. Rules of Interpretation. The following rules shall apply to the construction of this Facilities Lease unless the context requires otherwise: (a) the singular includes the plural and the plural includes the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to "writing" include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words "including" "includes" and "include" shall be deemed to be followed by words "without limitation"; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivision of sections), exhibits, appendices, annexes or schedules are to those of this Facilities Lease unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments; (h) references to Persons include their respective successors and assigns to the extent successors or assigns are permitted or not prohibited by the terms of this Facilities Lease; (i) any accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles; (j) "or" is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which have expired shall be of no force and effect after such termination, release, or expiration; (m) references to mail shall be deemed to refer to first-class mail, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Hammond, Louisiana time; (o) references to specific persons, positions, or officers shall include those who or which succeed to or perform their respective functions, duties, or responsibilities; and (p) the terms "herein", "hereunder" "hereby" "hereof," and any similar terms refer to this Facilities Lease as a whole and not to any particular articles, section or subdivision hereof.

Section 48. Relationship of Parties. The relationship of the Parties shall be one of lessor and lessee only, and shall not be considered a partnership, joint venture, license arrangement or unincorporated association. The Corporation is not controlled by the Board or under the control of any Person also in control of the Board.

Section 49. Law Between the Parties. This Facilities Lease shall constitute the law between the Parties, and if any provision of this Facilities Lease is in conflict with the provisions of "Title IX – Of Lease" of the Louisiana Civil Code, Articles 2669 through 2777, inclusive, the provisions of this Facilities Lease shall control.

Section 50. Conflicts between Existing Facilities Lease and Third Supplemental Facilities Lease. In the event any of the provisions of this Third Supplemental Facilities Lease conflict with any of the provisions of the Existing Facilities Lease, the provisions of this Third Supplemental Facilities Lease shall control.

Section 51. Notices. All notices, filings and other communications ("Notice") shall be in writing and shall be sufficiently given and served upon the other parties if delivered by hand directly to the persons at the addresses set forth below, or shall be sent by first class mail, postage prepaid, addressed as follows:

The Corporation:

University Facilities, Inc.
SLU Box 10709

IN WITNESS WHEREOF, the undersigned representative has signed this Third Supplemental Agreement to Lease with Option to Purchase on behalf of the Board of Supervisors for the University of Louisiana System as of the ___ day of November, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

By:

John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

IN WITNESS WHEREOF, the undersigned representative has signed this Third Supplemental Agreement to Lease with Option to Purchase on behalf of University Facilities, Inc. on the ___ day of November, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By:

Name: Joseph Morris
Title: Executive Director

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

BE IT KNOWN, that on this ___ day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOHN L. CRAIN

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University, and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

By:

John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

NOTARY PUBLIC

Print Name: _____

La. Bar Number of Notary ID: _____

Lifetime Commission

B-91

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this ___ day of November, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

JOSEPH MORRIS

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Executive Director, of University Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

WITNESSES:

By: _____
Name: Joseph Morris
Title: Executive Director

NOTARY PUBLIC
Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

EXHIBIT A

TO THE FACILITIES LEASE

DESCRIPTION OF THE FACILITIES

Phase One

Phase One of the housing development was comprised of two primary elements:

1. Hazardous material abatement and demolition of the following residence halls:
 - (a) Holloway Smith Hall (occurred in Spring 2004)
 - (b) Hammond Hall (occurred in Spring 2004)
 - I Carter Harris Hall (occurred in Spring 2004)

2. Construction of a new residence hall ("*Residence Hall I*") which provides approximately seven hundred eighteen (718) student beds in a mix of private and shared occupancy suites (opened January, 2005)

The project included: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and (5) provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (171,045 square feet)

Residence Hall was comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred fifty-eight (358) units of two-bedroom / one-bathroom and one-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of seven hundred eighteen (718) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-nine (179) of the units are designed for shared occupancy (360 total beds). Additionally, the Residence Hall I phase included a common area laundry facility in two of the buildings and area coordinator units in two of the buildings. In each building, community meeting rooms and tenant mail facilities were provided.

The first phase of development also included a 1,763 square foot maintenance facility for use by the property manager. Residence Hall I was completed in January, 2005.

Phase Two

Phase Two of the housing development was comprised of:

1. Construction of a new residence hall ("*Residence Hall II*") which provides seven hundred ninety-one (791) student beds in a mix of private and shared occupancy suites.
2. Hazardous materials abatement and demolition of Lee Hall.

B-92

Construction of Residence Hall II (184,530 square feet)

Residence Hall II is comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There are three hundred ninety-five (395) units of housing configured in two-bedroom / one-bathroom and one-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of seven hundred ninety-one (791) beds. Ninety-five (95) of the units (187 total beds) are designed for private occupancy and three hundred (300) of the units (604 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase includes one laundry facility and one area coordinator unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities are provided. The second phase of development included relocation of the campus police facility into one of the buildings, along with office / meeting space for the property management. Residence Hall II was completed in August, 2005.

Phase Three

Phase Three of the housing development has not been initiated and would be subject to further revision based upon input from the University. The following was the preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to be determined)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites.

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is not currently in progress.

Residence Hall III unit mix and design is subject to further revision based upon University input.

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility consists of approximately 436 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It contains four parking levels containing 171,378 square feet with elevators and stairs.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements included the expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom spaces. It consists of two levels containing approximately 9,323 square feet (plus 3,881 square feet at the two patios and 1,207 square foot at club seating area).

Southeastern Oaks Apartments (85,062 square feet)

The Oaks apartments are comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. There are seventy two (72) units of housing configured in four-bedroom / two bath suites for private occupancy for a total of two hundred eighty-eight (288) beds. There are twelve (12) units of housing configured in two-bedroom / one bath suites for private occupancy for a total of twenty four (24) beds. The total number of units, eighty four (84), provides three hundred twelve (312) private bedrooms. Additionally, each unit includes a living/dining area and fully-equipped kitchen. There is also one laundry facility and a community meeting room provided.

The Village Organizational Housing (73,290 square feet)

The Village is comprised of six wood-frame buildings with partial brick and hardi-plank exteriors. Five (5) of the buildings consist of two living communities in each and one (1) building is a three story residence hall. The six (6) buildings consist of one hundred forty-three (143) units of housing configured as shared bedroom / bathroom with a total of two hundred seventy (270) beds.

Five (5) of the buildings have a parlor/dining area, and one (1) of the buildings has a community area. Five (5) of the living communities have a full kitchen and five (5) have a warming kitchen. The residence hall does not have a kitchen. Additionally, there is one laundry facility and one community meeting room provided.

B-93

EXHIBIT B
MEMORANDUM OF SUPPLEMENTAL LEASE

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

STATE OF LOUISIANA §
 § KNOW ALL MEN BY THESE PRESENTS:
PARISH OF TANGIPAHOA §

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

This Memorandum of Lease (this "*Memorandum*") is entered into by and between the Board of Supervisors for the University of Louisiana System ("*Lessor*") and University Facilities, Inc. ("*Lessee*").

RECITALS

A. Lessor and Lessee have entered into a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "*Third Supplemental Facilities Lease*"), supplementing and amending that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Existing Facilities Lease*" and, together with the Third Supplemental Facilities Lease, the "*Lease*"), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibit A attached hereto and incorporated herein (the "*Land*") and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on November 13, 2013 and shall continue until midnight on August 1, 2047, unless sooner terminated or extended as provided in the Lease.
2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.
3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System
1201 North 3rd Street, Suite 7300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

B-94

THUS DONE AND PASSED on the ___ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with John L. Crain, President of Southeastern Louisiana University and Authorized Board Representative, and me, Notary.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: _____
John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

NOTARY PUBLIC

Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

[THIS PAGE INTENTIONALLY LEFT BLANK]

B-95

THUS DONE AND PASSED on the ___ day of November, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with Joseph Morris, Executive Director of University Facilities, Inc., and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____
Joseph Morris, Executive Director

NOTARY PUBLIC

Print Name: _____
La. Bar Number of Notary ID: _____
Lifetime Commission

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX C

FORM OF BOND COUNSEL OPINION

November 13, 2013

Louisiana Local Government Environmental Facilities
and Community Development Authority
Baton Rouge, Louisiana

\$40,910,000
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

We have acted as bond counsel to the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*"), a political subdivision of the State of Louisiana (the "*State*"), in connection with the issuance by the Issuer of the above-captioned bonds (the "*Series 2013 Bonds*") pursuant to Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 33:4548.16, inclusive) and Chapter 14 and Chapter 14-A of Title 39 the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456, inclusive) (collectively, the "*Act*").

The Series 2013 Bonds have been issued by the Issuer pursuant to the Act and other constitutional and statutory authority and a Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the "*First Supplemental Indenture*") and, together with the Original Indenture, the "*Indenture*") each between the Issuer and The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, as trustee (the "*Trustee*"). Capitalized terms used herein that are not otherwise defined have the meaning given them in the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds, are dated, bear interest until paid at the rate per annum, mature in the principal amounts and on the dates, and are subject to redemption all as set forth in the Indenture and in the Series 2013 Bonds.

The Series 2013 Bonds are issued under and are secured as to principal and interest by the Indenture, which provides a description of the nature and extent of the security for the Series 2013 Bonds, a statement of the terms and conditions under which the Series 2013 Bonds are issued and secured, the rights, duties and obligations of the Issuer, the rights, duties and immunities of the Trustee and the rights of the owners of the Series 2013 Bonds.

The Issuer previously issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and, together with the Series 2004A Bonds, the "*Series 2004 Bonds*") on behalf of University Facilities Inc., a Louisiana non-profit corporation (the "*Corporation*"), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "*Facilities*") for Southeastern Louisiana University (the "*University*") located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "*Board*") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University (collectively, the "*Project*"). The Series 2013 Bonds are being issued for the purpose of (i) refunding the Series 2004A Bonds and (ii) paying costs of issuance of the Series 2013 Bonds.

The Issuer and the Corporation have entered into a Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation (the "*Original Agreement*"), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the

Corporation (the "*Supplemental Agreement*" and, together with the Original Agreement, the "*Agreement*"), pursuant to which the Issuer will loan the proceeds from the sale of the Series 2013 Bonds to the Corporation for the foregoing purposes. Pursuant to the Agreement, the Corporation has agreed to make loan payments (the "*Payments*") solely from the Base Rental (as defined in the Agreement) sufficient to pay the principal of, premium, if any, and interest on the Series 2013 Bonds. The rights of the Issuer under the Agreement (except for the rights of the Issuer relating to exculpation, indemnification and payment of expenses thereunder) have been pledged and assigned by the Issuer to the Trustee as security for the Series 2013 Bonds.

The Board is leasing the land upon which the Facilities have been constructed to the Corporation pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the "*First Amendment to Ground Lease*"), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the "*Second Amendment to Ground Lease*"), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "*Third Supplemental Ground Lease*" and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the "*Ground Lease*").

The Facilities have been leased by the Corporation to the Board pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*"), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the "*Second Amendment to Facilities Lease*"), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "*Third Supplemental Facilities Lease*" and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the "*Facilities Lease*").

The Series 2013 Bonds are also entitled to the benefits of the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee (the "*Mortgage*") executed by the Corporation in favor of the Trustee, pursuant to which the Corporation has mortgaged its leasehold interest in and to the Property (as defined in the Mortgage).

We have examined: (i) the constitution and statutes of the State, including the Act; (ii) a certified transcript of the proceedings of the Issuer authorizing the issuance of the Series 2013 Bonds; (iii) the Indenture, the Agreement, the Tax Regulatory Agreement and Arbitrage Certificate dated the date of delivery and payment for the Series 2013 Bonds among the Issuer, the Corporation, the Board and the Trustee (the "*Tax Agreement*"); and (iv) such other documents, instruments, proofs and matters of law as we have deemed relevant to the issuance of the Series 2013 Bonds and necessary for the purpose of this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Board and the Corporation contained in the Indenture, the Agreement and the Tax Agreement, the certified proceedings and other certifications of public officials and others furnished to us, including certifications furnished to us by or on behalf of the Issuer, the Corporation and the Board, without undertaking to verify the same by independent investigation.

On the basis of the foregoing examinations, we are of the opinion, as of the date hereof and under existing law, that:

1. The Issuer is a validly existing political subdivision of the State and has the power and authority to enter into the Agreement and the Indenture and to issue and sell the Series 2013 Bonds.
2. The Series 2013 Bonds are valid and binding special and limited obligations of the Issuer secured by and entitled to the benefits of the Indenture and are payable solely from the revenues and other amounts pledged and assigned under the Indenture.
3. The Supplemental Agreement and the Supplemental Indenture have been duly authorized, executed and delivered by the Issuer and constitute valid and binding obligations of the Issuer, enforceable upon the Issuer in accordance with their terms, and all rights of the Issuer under the Agreement have

been validly assigned to the Trustee under the Indenture, with the exception of certain rights of the Issuer relating to notice, exculpation, indemnification and payment of expenses.

4. The Series 2013 Bonds and interest thereon do not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any State constitutional or statutory provision and will not constitute a general obligation or a charge against any other revenues of the Issuer.

5. Interest on the Series 2013 Bonds (including the amount of original issue discount properly allocable to the owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings.

6. Under the Act, the Series 2013 Bonds are exempt from all taxation by the State of Louisiana or any political subdivision thereof.

In rendering the opinions expressed in paragraph 5 above, we have relied upon the opinion of even date herewith of Seale & Ross, A Professional Law Corporation, Hammond, Louisiana, counsel to the Corporation that the Corporation is an organization that is exempt from the federal income tax under Code Section 501(c)(3). We have also relied upon such opinion with respect to (i) the due organization of the Corporation, (ii) the good standing of the Corporation in the State; (iii) the corporate power of the Corporation to enter into, and the due authorization, execution and delivery by the Corporation of, the Loan Agreement, the Ground Lease and the Facilities Lease, and the valid and binding effect thereof on the Corporation, and (iv) matters which might be disclosed as a result of an examination of the indentures, mortgages, deeds of trust, certifications of incorporation, by-laws, and other agreements or instruments to which the Corporation is a party or by which it or its properties are bound.

We have relied on representations of the Issuer, the Board and the Corporation with respect to matters solely within the knowledge of the Issuer, the Board and the Corporation, which we have not independently verified, and have assumed continuing compliance with the covenants in the Indenture, the Agreement and the Tax Agreement pertaining to those sections of the Code that affect the exclusion from gross income of interest on the Series 2013 Bonds for federal income tax purposes. In the event that such representations are determined to be inaccurate or incomplete or the Issuer, the Board or the Corporation fails to comply with the foregoing covenants, interest on the Series 2013 Bonds could be includable in gross income for federal income tax purposes from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

The accrual or receipt of interest on the Series 2013 Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Series 2013 Bonds.

It is to be understood that the rights of the owners of the Series 2013 Bonds and the enforceability of the Series 2013 Bonds, the Indenture, the Agreement and the other documents enumerated above may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that their enforcement may also be subject to the exercise of the sovereign police powers of the State or its governmental bodies and the exercise of judicial discretion in appropriate cases.

For purposes of this opinion, our services as bond counsel have not extended beyond the examinations and expressions of the conclusions referred to above. This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur. Except as stated above, no opinion is expressed as to any federal or state tax consequences resulting from the ownership of, receipt of interest on, or disposition of, the Series 2013 Bonds.

Respectfully submitted,

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) constitutes the written undertaking of the **Board of Supervisors for the University of Louisiana System** (the “Board”), on behalf of **Southeastern Louisiana University** (the “University”) for the benefit of the holders of the Bonds (as defined herein), required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, §240.15c2-12) (the “Rule”). The Board is an “obligated person” within the meaning of the Rule.

SECTION 1. Definitions. In addition to the definitions set forth in that certain Trust Indenture dated as of August 1, 2004, as amended and supplemented by a First Supplemental Trust Indenture dated November 1, 2013 (collectively, the “Indenture”) by and between the Issuer (as defined herein) and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as trustee (the “Trustee”), which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Disclosure Certificate, the following capitalized terms shall have the following meanings:

“*Audited Financial Statements*” means annual financial statements of the Board or operating data prepared in accordance with GAAP and mandated by statutory accounting requirements in effect from time to time, which financial statements shall have been audited by a firm of independent certified public accountants or the Legislative Auditor of the State.

“*Board*” means the Board of Supervisors for the University of Louisiana System.

“*Bonds*” means the \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 and such Bonds issued in exchange for other such Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Bonds pursuant to the Indenture, all as further described in **Exhibit A**, attached hereto and made a part hereof.

“*Corporation*” means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Disclosure Representative*” means the President of the University or his or her designee or such other officer, employee, agent or representative as the Dissemination Agent shall designate in writing from time to time.

“*Dissemination Agent*” means the Board, in its capacity as such, which (through its Disclosure Representative) shall collect and provide the Financial Information in accordance with Section 2 hereof.

“*EMMA*” shall mean the internet-based portal referred to as the Electronic Municipal Market Access system operated by the Municipal Securities Rulemaking Board. The online address of EMMA is www.emma.msrb.org.

“*Financial Information*” means the Audited Financial Statements and the Financial Statements.

“*Financial Statements*” means the annual financial information (which shall be based on financial statements prepared in accordance with GAAP), or operating data with respect to the University, provided at least annually, which shall include the type included in the Official Statement as further described in Section 3 hereto.

“*Fiscal Year*” means the period commencing on the first day of July of any year and ending on the last day of June of the following year or such other period of twelve (12) consecutive calendar months as shall be specified by the Board.

“*GAAP*” means generally accepted accounting principles.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, as issuer of the Bonds.

“*Listed Event*” means any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves, reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of the owners of the Bonds, if material;
- (viii) Bond calls;
- (ix) Defeasances;
- (x) Release, substitution or sale of property, if any, securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar proceeding;
- (xiii) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated person or their termination; and
- (xiv) Appointment of a successor or additional trustee or the change of the name of a trustee, if material.

“*Notice of Listed Events*” means the Notice required to be given in accordance with Section 4 hereof.

“*Official Statement*” means the final Official Statement dated November __, 2013 with respect to the Bonds.

“*Report Date*” shall have the meaning set forth in Section 2(a)(iii) hereof.

“*Repositories*” shall mean EMMA and any SID.

“*Rule*” means Rule 15c2-12(b)(5)(i) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*SID*” means any public or private repository or entity designated by the Board as a state depository for the purpose of the Rule. The SIDs, as of the date of this Disclosure Certificate, appear in **Exhibit C** attached hereto.

“*State*” means the State of Louisiana.

“*Underwriter*” means Stephens Inc., Baton Rouge, Louisiana, on behalf of itself and on behalf of Raymond James & Company, Inc., New Orleans, Louisiana, as co-manager.

“*University*” means Southeastern Louisiana University, Hammond, Louisiana.

SECTION 2. Provision of Financial Information.

(a) (i) The Board hereby covenants and agrees to act as “Dissemination Agent” in connection with the Bonds.

(ii) Prior to or on the date of issuance of the Bonds, the Dissemination Agent, either on its own or through its designated Disclosure Representative, shall confirm with the Underwriter that the Bonds and the Official Statement have been published on EMMA. Additionally, the

Dissemination Agent, either on its own or through its designated Disclosure Representative, shall register as the dissemination agent of the Bonds on EMMA.

(iii) While any of the Bonds are Outstanding, the Dissemination Agent, either on its own or through its designated Disclosure Representative, shall collect and provide the Financial Information to the Repositories no later than six (6) months from the end of each Fiscal Year ending after the issuance of the Bonds (the "Report Date"), commencing December 31, 2013. The Dissemination Agent may adjust the Report Date if the Board or the University change their Fiscal Year by providing written notice of the change of Fiscal Year and the new Report Date to each then existing Repository; provided that the new Report Date shall be no more than 180 days after the end of the new Fiscal Year, and provided further that the period between the final Report Date relating to the former Fiscal Year and the initial Report Date relating to the new Fiscal Year shall not exceed one year in duration.

(iv) It shall be sufficient if the Dissemination Agent provides to each then existing Repository the Financial Information (or any portion thereof) by specific reference to documents previously provided to each Repository or filed with the Securities and Exchange Commission or, if such document is a final official statement, available from the Municipal Securities Rulemaking Board. The Dissemination Agent shall clearly identify each such other document so incorporated by reference.

(b) If the Dissemination Agent is unable to provide any portion of the Financial Information to each then existing Repository by the Report Date, then the Dissemination Agent shall electronically send and/or submit a notice to each then existing Repository in the form required by such existing Repository. If a Repository does not accept notices electronically, then such notice shall be in substantially the form attached hereto as **Exhibit B**.

(c) The Dissemination Agent shall determine, each year prior to the date for providing the Financial Information, the name and address of each then existing Repository.

(d) In accordance with MSRB Notice 2009-04 (January 9, 2009) the filing requirements set forth in Sections (2) and (4) herein shall be satisfied exclusively by electronically submitting to EMMA such filings through the EMMA Dataport at <http://www.emma.msrb.org>.

SECTION 3. Content of Financial Information. The Financial Information shall contain or incorporate by reference the following:

- (a) Audited Financial Statements for the Board;
- (b) Financial Statements for the University;
- (c) Operating data of the University, of the type included in Appendix A of the Official Statement and under the heading "SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Housing Occupancy" of the Official Statement;
- (d) The accounting principles pursuant to which the Audited Financial Statements were prepared;
- (e) The statement that the above-described information has been provided directly by the Board and/or the University; and
- (f) Identification of any documents previously filed by the Board, the University, the State or any other entity and incorporated by reference pursuant to Section (2)(a)(ii) hereof.

The Dissemination Agent reserves the right to cross-reference any or all of such annual Financial Information and operating data to other documents to be provided to the Repositories or the Municipal Securities Rulemaking Board.

The Dissemination Agent reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Dissemination Agent in order to comply with the rule and/or the submission requirements of the Repositories; provided that the Dissemination Agent agrees that any such modification will be done in a manner consistent with the Rule as provided in Section 6 hereof.

SECTION 4. Reporting of Listed Events.

(a) If a Listed Event occurs while any Bonds are Outstanding, the Dissemination Agent shall provide a Notice of Listed Events in a timely manner and shall promptly provide to the Municipal Securities Rulemaking Board and the Repository, if any, such Notice of Listed Events. Each Notice of Listed Events shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds. Notwithstanding the foregoing, a Notice of Listed Events described in items (viii) and (ix) under the definition of "Listed Event" herein need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Bondholders of affected Bonds pursuant to the Indenture.

(b) The Dissemination Agent shall provide in a timely manner to the to the Repository notice of any failure while any Bonds are Outstanding by the Dissemination Agent to provide to each then existing Repository Financial Information on or before the Report Date.

(c) If the Dissemination Agent determines that the occurrence of a Listed Event would be material under applicable federal securities laws, the Board shall promptly cause a notice of such occurrence to be filed with the Repositories, in the form prescribed by each such Repository.

(d) The Dissemination Agent may from time to time choose to provide notice of the occurrence of certain other events, in addition to Listed Events, if, in the judgment of the Dissemination Agent, such other event is material with respect to the Bonds, but the Dissemination Agent does not undertake to commit to provide any such notice of the occurrence of any material event except Listed Events.

(e) Whenever the Dissemination Agent obtains knowledge of the occurrence of a Listed Event, the Dissemination Agent shall, as soon as possible, determine if such event would constitute material information for Bondholders under applicable federal securities laws.

SECTION 5. Termination of Reporting Obligation. The Board's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption in whole or payment in full of all of the Bonds. In addition, any provision hereof and any provision relating to the Rule as set forth in the resolution authorizing the issuance of the Bonds shall be null and void in the event that the Board delivers to the Trustee an opinion of counsel expert in federal securities laws to the effect that those portions of the Rule that require this Disclosure Certificate, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; provided that the Board shall have provided notice of such delivery and the cancellation of this Disclosure Certificate and that portion of the Indenture relating to the Rule to each Repository.

SECTION 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Board may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not in and of itself cause the undertakings herein to violate, or adversely affect compliance with the Rule if such amendment or waiver had been effective on the date hereof, but taking into account any subsequent change in or official interpretation of the Rule.

Provided, however, that the following conditions must be satisfied prior to such amendment:

(a) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Board, or type of business conducted;

(b) The undertaking hereunder, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of the holders of the Bonds, as determined either by parties unaffiliated with the Board (such as bond counsel), or by approving vote of such holders in accordance with the terms of the Indenture at the time of the amendment.

Further, the Financial Information containing the amended operating data or financial information shall explain in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

Further provided, if an amendment is made to an undertaking hereunder specifying the accounting principles to be followed in preparing the either the Audited Financial Statements or the Financial Statements for the year in which the change is made should present a comparison between such information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison should include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of such Financial Information, in order to provide information to investors to enable them to reevaluate the ability of the Board to meet its obligations. To the extent reasonably feasible, the comparison also should be quantitative. A notice of the change in the accounting principles should be sent to the Repositories.

Amendments to **Exhibit C** may be made by the Dissemination Agent at any time to correct or update the list of SIDs.

SECTION 7. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Dissemination Agent from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or Notice of Listed Event, in addition to that which is required by this Disclosure Certificate. If the Board chooses to include any information in any Financial Information or Notice of Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Board shall have no obligation under this Disclosure Certificate to update such information or include it in any future Financial Information or Notice of Listed Event.

SECTION 8. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Board, the Underwriter and the holders of the Bonds, and shall create no rights in any other person or entity.

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

By: _____
John L. Crain, Authorized Representative

Date: _____, 2013

EXHIBIT A

MATURITY SCHEDULE

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

| <u>Maturity (August 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>Price</u> | <u>CUSIP¹</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------|
| 2014 | \$1,985,000 | 2.000% | 0.600% | 100.999% | 546282VT8 |
| 2014 | 700,000 | 3.000% | 0.600% | 101.713% | 546282VU5 |
| 2015 | 2,750,000 | 3.000% | 0.870% | 103.620% | 546282VV3 |
| 2016 | 2,855,000 | 4.000% | 1.150% | 107.599% | 546282VW1 |
| 2017 | 2,970,000 | 4.000% | 1.500% | 109.002% | 546282VX9 |
| 2018 | 3,105,000 | 5.000% | 1.900% | 113.919% | 546282VY7 |
| 2019 | 3,265,000 | 5.000% | 2.380% | 113.922% | 546282VZ4 |
| 2020 | 3,415,000 | 5.000% | 2.780% | 113.512% | 546282WA8 |
| 2021 | 3,585,000 | 5.000% | 3.140% | 112.654% | 546282WB6 |
| 2022 | 3,775,000 | 5.000% | 3.380% | 112.137% | 546282WC4 |
| 2023 | 2,045,000 | 3.250% | 3.570% | 97.388% | 546282WD2 |
| 2023 | 1,890,000 | 5.000% | 3.570% | 111.648% | 546282WE0 |
| 2024 | 305,000 | 3.500% | 3.720% | 98.066% | 546282WF7 |
| 2024 | 1,500,000 | 4.500% | 3.720% | 106.306%* | 546282WG5 |
| 2024 | 2,300,000 | 5.000% | 3.720% | 110.352%* | 546282WH3 |

*Priced to August 1, 2023 optional par call

\$4,465,000 4.00% Term Bonds due August 1, 2026, Yield 4.125%, CUSIP 546282WJ9

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. The CUSIP numbers are provided for convenience of reference only. Neither the Authority, the Corporation, the Board nor the Underwriter take any responsibility for the accuracy of such CUSIP numbers.

EXHIBIT B

NOTICE TO REPOSITORY OF FAILURE TO FILE FINANCIAL INFORMATION

Name of Issuer: Louisiana Local Government Environmental Facilities and Community Development Authority

Name of Obligated Person: Board of Supervisors for the University of Louisiana System

Name of Bond Issue: \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Tax-Exempt Revenue Bonds (Southeastern Louisiana University Student Housing/ University Facilities, Inc. Project) Series 2013

Date of Issuance November 13, 2013

NOTICE IS HEREBY GIVEN that the Board has not provided the Financial Information with respect to the above-named Bonds as required by the Continuing Disclosure Certificate of the Board dated November 13, 2013. The Board anticipates that the Annual Report will be filed by _____.

Dated: _____

**Board of Supervisors for the
University of Louisiana System**

By: _____
Authorized Board Representative

EXHIBIT C

STATE INFORMATION DEPOSITORIES

None.

APPENDIX E

SCHEDULE OF SERIES 2004A BONDS

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS
(SOUTHEASTERN LOUISIANA STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004A

SERIAL BONDS

| <u>Maturity Date</u> | <u>Principal Amount</u> | <u>Coupon</u> | <u>CUSIP</u> |
|----------------------|-------------------------|---------------|--------------|
| August 1, 2014 | 1,960,000 | 4.00% | 546279TL 4 |
| August 1, 2015 | 2,040,000 | 5.00% | 546279TM 2 |
| August 1, 2016 | 2,140,000 | 4.00% | 546279TN 0 |
| August 1, 2017 | 2,230,000 | 4.00% | 546279TP 5 |
| August 1, 2018 | 2,320,000 | 4.10% | 546279TQ 3 |
| August 1, 2019 | 2,415,000 | 4.20% | 546279TR 1 |
| August 1, 2022 | 2,785,000 | 4.50% | 546279TU 4 |
| August 1, 2025 | 3,225,000 | 4.75% | 546279TX 8 |
| August 1, 2028 | 3,720,000 | 4.75% | 546279UE 8 |

TERM BONDS

| <u>Maturity Date</u> | <u>Principal Amount</u> | <u>Coupon</u> | <u>CUSIP</u> |
|----------------------|-------------------------|---------------|--------------|
| August 1, 2021 | 5,160,000 | 5.25% | 546279TT 7 |
| August 1, 2024 | 5,970,000 | 5.25% | 546279TW 0 |
| August 1, 2027 | 6,920,000 | 5.00% | 546279UD 0 |
| August 1, 2031 | 11,345,000 | 5.00% | 546279TY 6 |

[THIS PAGE INTENTIONALLY LEFT BLANK]





SOUTHEASTERN

LOUISIANA UNIVERSITY



CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) constitutes the written undertaking of the **Board of Supervisors for the University of Louisiana System** (the “Board”), on behalf of **Southeastern Louisiana University** (the “University”) for the benefit of the holders of the Bonds (as defined herein), required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, §240.15c2-12) (the “Rule”). The Board is an “obligated person” within the meaning of the Rule.

SECTION 1. Definitions. In addition to the definitions set forth in that certain Trust Indenture dated as of August 1, 2004, as amended and supplemented by a First Supplemental Trust Indenture dated November 1, 2013 (collectively, the “Indenture”) by and between the Issuer (as defined herein) and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as trustee (the “Trustee”), which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Disclosure Certificate, the following capitalized terms shall have the following meanings:

“*Audited Financial Statements*” means annual financial statements of the Board or operating data prepared in accordance with GAAP and mandated by statutory accounting requirements in effect from time to time, which financial statements shall have been audited by a firm of independent certified public accountants or the Legislative Auditor of the State.

“*Board*” means the Board of Supervisors for the University of Louisiana System.

“*Bonds*” means the \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 and such Bonds issued in exchange for other such Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Bonds pursuant to the Indenture, all as further described in **Exhibit A**, attached hereto and made a part hereof.

“*Corporation*” means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Disclosure Representative*” means the President of the University or his or her designee or such other officer, employee, agent or representative as the Dissemination Agent shall designate in writing from time to time.

“*Dissemination Agent*” means the Board, in its capacity as such, which (through its Disclosure Representative) shall collect and provide the Financial Information in accordance with Section 2 hereof.

“EMMA” shall mean the internet-based portal referred to as the Electronic Municipal Market Access system operated by the Municipal Securities Rulemaking Board. The online address of EMMA is www.emma.msrb.org.

“*Financial Information*” means the Audited Financial Statements and the Financial Statements.

“*Financial Statements*” means the annual financial information (which shall be based on financial statements prepared in accordance with GAAP), or operating data with respect to the University, provided at least annually, which shall include the type included in the Official Statement as further described in Section 3 hereto.

“*Fiscal Year*” means the period commencing on the first day of July of any year and ending on the last day of June of the following year or such other period of twelve (12) consecutive calendar months as shall be specified by the Board.

“*GAAP*” means generally accepted accounting principles.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, as issuer of the Bonds.

“*Listed Event*” means any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves, reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of the owners of the Bonds, if material;
- (viii) Bond calls;
- (ix) Defeasances;
- (x) Release, substitution or sale of property, if any, securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar proceeding;
- (xiii) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated person or their termination; and
- (xiv) Appointment of a successor or additional trustee or the change of the name of a trustee, if material.

“*Notice of Listed Events*” means the Notice required to be given in accordance with Section 4 hereof.

“*Official Statement*” means the final Official Statement dated November 11, 2013 with respect to the Bonds.

“*Report Date*” shall have the meaning set forth in Section 2(a)(iii) hereof.

“*Repositories*” shall mean EMMA and any SID.

“*Rule*” means Rule 15c2-12(b)(5)(i) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*SID*” means any public or private repository or entity designated by the Board as a state depository for the purpose of the Rule. The SIDs, as of the date of this Disclosure Certificate, appear in **Exhibit C** attached hereto.

“*State*” means the State of Louisiana.

“*Underwriter*” means Stephens Inc., Baton Rouge, Louisiana, on behalf of itself and on behalf of Raymond James & Company, Inc., New Orleans, Louisiana, as co-manager.

“*University*” means Southeastern Louisiana University, Hammond, Louisiana.

SECTION 2. Provision of Financial Information.

(a) (i) The Board hereby covenants and agrees to act as “Dissemination Agent” in connection with the Bonds.

(ii) Prior to or on the date of issuance of the Bonds, the Dissemination Agent, either on its own or through its designated Disclosure Representative, shall confirm with the Underwriter that the Bonds and the Official Statement have been published on EMMA. Additionally, the Dissemination Agent, either on its own or through its designated Disclosure Representative, shall register as the dissemination agent of the Bonds on EMMA.

(iii) While any of the Bonds are Outstanding, the Dissemination Agent, either on its own or through its designated Disclosure Representative, shall collect and provide the Financial Information to the Repositories no later than six (6) months from the end of each Fiscal Year ending after the issuance of the Bonds (the “Report Date”), commencing December 31, 2013. The Dissemination Agent may adjust the Report Date if the Board or the University change their Fiscal Year by providing written notice of the change of Fiscal Year and the new Report Date to each then existing Repository; provided that the new Report Date shall be no more than 180 days after the end of the new Fiscal Year, and provided further that the period between the final Report Date relating to the former Fiscal Year and the initial Report Date relating to the new Fiscal Year shall not exceed one year in duration.

(iv) It shall be sufficient if the Dissemination Agent provides to each then existing Repository the Financial Information (or any portion thereof) by specific reference to documents previously provided to each Repository or filed with the Securities and Exchange Commission or, if such document is a final official

statement, available from the Municipal Securities Rulemaking Board. The Dissemination Agent shall clearly identify each such other document so incorporated by reference.

(b) If the Dissemination Agent is unable to provide any portion of the Financial Information to each then existing Repository by the Report Date, then the Dissemination Agent shall electronically send and/or submit a notice to each then existing Repository in the form required by such existing Repository. If a Repository does not accept notices electronically, then such notice shall be in substantially the form attached hereto as **Exhibit B**.

(c) The Dissemination Agent shall determine, each year prior to the date for providing the Financial Information, the name and address of each then existing Repository.

(d) In accordance with MSRB Notice 2009-04 (January 9, 2009) the filing requirements set forth in Sections (2) and (4) herein shall be satisfied exclusively by electronically submitting to EMMA such filings through the EMMA Dataport at <http://www.emma.msrb.org>.

SECTION 3. Content of Financial Information. The Financial Information shall contain or incorporate by reference the following:

- (a) Audited Financial Statements for the Board;
- (b) Financial Statements for the University;
- (c) Operating data of the University, of the type included in Appendix A of the Official Statement and under the heading “SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS – Housing Occupancy” of the Official Statement;
- (d) The accounting principles pursuant to which the Audited Financial Statements were prepared;
- (e) The statement that the above-described information has been provided directly by the Board and/or the University; and
- (f) Identification of any documents previously filed by the Board, the University, the State or any other entity and incorporated by reference pursuant to Section (2)(a)(ii) hereof.

The Dissemination Agent reserves the right to cross-reference any or all of such annual Financial Information and operating data to other documents to be provided to the Repositories or the Municipal Securities Rulemaking Board.

The Dissemination Agent reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Dissemination Agent in order to comply with the rule and/or the submission requirements of the Repositories; provided that the Dissemination

Agent agrees that any such modification will be done in a manner consistent with the Rule as provided in Section 6 hereof.

SECTION 4. Reporting of Listed Events.

(a) If a Listed Event occurs while any Bonds are Outstanding, the Dissemination Agent shall provide a Notice of Listed Events in a timely manner and shall promptly provide to the Municipal Securities Rulemaking Board and the Repository, if any, such Notice of Listed Events. Each Notice of Listed Events shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds. Notwithstanding the foregoing, a Notice of Listed Events described in items (viii) and (ix) under the definition of “Listed Event” herein need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Bondholders of affected Bonds pursuant to the Indenture.

(b) The Dissemination Agent shall provide in a timely manner to the to the Repository notice of any failure while any Bonds are Outstanding by the Dissemination Agent to provide to each then existing Repository Financial Information on or before the Report Date.

(c) If the Dissemination Agent determines that the occurrence of a Listed Event would be material under applicable federal securities laws, the Board shall promptly cause a notice of such occurrence to be filed with the Repositories, in the form prescribed by each such Repository.

(d) The Dissemination Agent may from time to time choose to provide notice of the occurrence of certain other events, in addition to Listed Events, if, in the judgment of the Dissemination Agent, such other event is material with respect to the Bonds, but the Dissemination Agent does not undertake to commit to provide any such notice of the occurrence of any material event except Listed Events.

(e) Whenever the Dissemination Agent obtains knowledge of the occurrence of a Listed Event, the Dissemination Agent shall, as soon as possible, determine if such event would constitute material information for Bondholders under applicable federal securities laws.

SECTION 5. Termination of Reporting Obligation. The Board’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption in whole or payment in full of all of the Bonds. In addition, any provision hereof and any provision relating to the Rule as set forth in the resolution authorizing the issuance of the Bonds shall be null and void in the event that the Board delivers to the Trustee an opinion of counsel expert in federal securities laws to the effect that those portions of the Rule that require this Disclosure Certificate, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; provided that the Board shall have provided notice of such delivery and the cancellation of this Disclosure Certificate and that portion of the Indenture relating to the Rule to each Repository.

SECTION 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Board may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an

opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not in and of itself cause the undertakings herein to violate, or adversely affect compliance with the Rule if such amendment or waiver had been effective on the date hereof, but taking into account any subsequent change in or official interpretation of the Rule.

Provided, however, that the following conditions must be satisfied prior to such amendment:

(a) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Board, or type of business conducted;

(b) The undertaking hereunder, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of the holders of the Bonds, as determined either by parties unaffiliated with the Board (such as bond counsel), or by approving vote of such holders in accordance with the terms of the Indenture at the time of the amendment.

Further, the Financial Information containing the amended operating data or financial information shall explain in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

Further provided, if an amendment is made to an undertaking hereunder specifying the accounting principles to be followed in preparing the either the Audited Financial Statements or the Financial Statements for the year in which the change is made should present a comparison between such information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison should include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of such Financial Information, in order to provide information to investors to enable them to reevaluate the ability of the Board to meet its obligations. To the extent reasonably feasible, the comparison also should be quantitative. A notice of the change in the accounting principles should be sent to the Repositories.


Amendments to **Exhibit C** may be made by the Dissemination Agent at any time to correct or update the list of SIDs.

SECTION 7. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Dissemination Agent from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or Notice of Listed Event, in addition to that which is required by this Disclosure Certificate. If the Board chooses to include any information in any Financial Information or Notice of Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Board shall have no

obligation under this Disclosure Certificate to update such information or include it in any future Financial Information or Notice of Listed Event.

SECTION 8. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Board, the Underwriter and the holders of the Bonds, and shall create no rights in any other person or entity.

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

By: 
John L. Crain,
Authorized Representative

Date: November 13, 2013

EXHIBIT A

MATURITY SCHEDULE

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

| <u>Maturity (August 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>Price</u> | <u>CUSIP¹</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------|
| 2014 | \$1,985,000 | 2.000% | 0.600% | 100.999% | 546282VT8 |
| 2014 | 700,000 | 3.000% | 0.600% | 101.713% | 546282VU5 |
| 2015 | 2,750,000 | 3.000% | 0.870% | 103.620% | 546282VV3 |
| 2016 | 2,855,000 | 4.000% | 1.150% | 107.599% | 546282VW1 |
| 2017 | 2,970,000 | 4.000% | 1.500% | 109.002% | 546282VX9 |
| 2018 | 3,105,000 | 5.000% | 1.900% | 113.919% | 546282VY7 |
| 2019 | 3,265,000 | 5.000% | 2.380% | 113.922% | 546282VZ4 |
| 2020 | 3,415,000 | 5.000% | 2.780% | 113.512% | 546282WA8 |
| 2021 | 3,585,000 | 5.000% | 3.140% | 112.654% | 546282WB6 |
| 2022 | 3,775,000 | 5.000% | 3.380% | 112.137% | 546282WC4 |
| 2023 | 2,045,000 | 3.250% | 3.570% | 97.388% | 546282WD2 |
| 2023 | 1,890,000 | 5.000% | 3.570% | 111.648% | 546282WE0 |
| 2024 | 305,000 | 3.500% | 3.720% | 98.066% | 546282WF7 |
| 2024 | 1,500,000 | 4.500% | 3.720% | 106.306%* | 546282WG5 |
| 2024 | 2,300,000 | 5.000% | 3.720% | 110.352%* | 546282WH3 |

*Priced to August 1, 2023 optional par call

\$4,465,000 4.00% Term Bonds due August 1, 2026, Yield 4.125%, CUSIP 546282WJ9

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. The CUSIP numbers are provided for convenience of reference only. Neither the Authority, the Corporation, the Board nor the Underwriter take any responsibility for the accuracy of such CUSIP numbers.

EXHIBIT B

NOTICE TO REPOSITORY OF FAILURE TO FILE FINANCIAL INFORMATION

Name of Issuer: Louisiana Local Government Environmental Facilities and
Community Development Authority

Name of Obligated Person: Board of Supervisors for the University of Louisiana System

Name of Bond Issue: \$40,910,000 Louisiana Local Government Environmental
Facilities and Community Development Authority
Tax-Exempt Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project) Series 2013

Date of Issuance November 13, 2013

NOTICE IS HEREBY GIVEN that the Board has not provided the Financial Information with respect to the above-named Bonds as required by the Continuing Disclosure Certificate of the Board dated November 13, 2013. The Board anticipates that the Annual Report will be filed by _____.

Dated: _____

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

By: _____
Authorized Board Representative

EXHIBIT C

STATE INFORMATION DEPOSITORIES

None.

TAX REGULATORY AGREEMENT AND ARBITRAGE CERTIFICATE

The Louisiana Local Government Environmental Facilities and Community Development Authority (the “**Authority**”), University Facilities, Inc. (the “**Corporation**”), the Board of Supervisors for the University of Louisiana System (the “**Board**”) and The Bank of New York Mellon Trust Company, N.A., in its capacity as Trustee (the “**Trustee**”) under the Indenture (as defined herein) hereby enter into this Tax Regulatory Agreement and Arbitrage Certificate (together with the exhibits attached hereto, the “**Tax Agreement**”) in connection with the issuance of the Authority’s \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the “**Series 2013 Bonds**”). The representations of facts and circumstances and covenants of the Authority made herein are in part made pursuant to Treasury Regulations § 1.148-2(b)(2)(i).

I. General Provisions

1. **Purpose of this Tax Agreement.** The Authority, the Corporation and the Board are delivering this Tax Agreement to Bond Counsel with the understanding and acknowledgment that Bond Counsel will rely upon this Tax Agreement in rendering their opinion that interest on the Series 2013 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code.
2. **Status of the Authority, the Board, the Corporation and the University.**
 - a. The Authority is a political subdivision of the State of Louisiana created pursuant to the authority of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16) (the “**LCDA Act**”).
 - b. The Board is a public and constitutional corporation of the State of Louisiana (the “**State**”), created by Article VIII, Section 6(A) of the Louisiana Constitution of 1974, as amended, and statutes of the State.
 - c. The University is a public institution under the supervision of the Board. The University serves an integral educational function of the Board.
 - d. The Corporation is a Louisiana non-profit corporation and is an organization described in Section 501(c)(3) of the Code.
3. **Authorization of Bonds.** The Authority is issuing the Series 2013 Bonds pursuant to the LCDA Act and Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “**Refunding Act**” and, together with the LCDA Act, the “**Act**”) and the terms of the Indenture.
4. **Purpose for the Series 2013 Bonds.** The Authority is issuing the Series 2013 Bonds to loan the proceeds to the Corporation for the purpose of: (i) advance refunding the Authority’s \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004 (the “**Prior Bonds**”) and (ii) paying the costs of issuance of the Series 2013 Bonds.
5. **No Other Bonds.** There are no obligations heretofore issued or to be issued by or on behalf of any state, territory or possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia, that were or will be sold: (i) within 15 days of the date of sale of the Series 2013 Bonds; (ii) pursuant to the same plan of financing as the Series 2013

Bonds; and (iii) are payable directly or indirectly by the Borrower or any related person or from the same source or sources from which the Series 2013 Bonds are payable.

6. Definitions. Unless the context otherwise requires, capitalized terms used herein shall have the meanings ascribed thereto in Exhibit A to this Tax Agreement. Any capitalized term not defined in Exhibit A to this Tax Agreement shall have the meaning ascribed thereto in Section 1.1 of the Indenture.

II. The Prior Bonds

1. Purpose for the Prior Bonds. The Prior Bonds were issued by the Issuer and the proceeds thereof loaned to the Corporation for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for the University located on immovable property owned by, or subject to the supervision and management of the Board in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.
2. Prior Bonds Not Refunding Bonds. None of the proceeds of the Prior Bonds has been used to currently refund or advance refund other bonds.
3. Unspent Proceeds of the Prior Bonds. Except for the balance in the Prior Bonds Project Fund in the amount of \$762,582.09, the balance in the Prior Bonds Debt Service Fund in the amount of \$1,116,134.38, and the balance in the Prior Bonds Debt Service Reserve Fund of \$3,765,837.50, all of which are expected to be transferred to the Series 2013 Bonds Escrow Fund, there are no unspent proceeds of the Prior Bonds.
4. Redemption of Prior Bonds. The Prior Bonds will be redeemed on the Redemption Date.

III. The Facilities; Private Use

1. General. The Authority, the Board and the Corporation recognize and acknowledge that, to ensure that the interest on the Series 2013 Bonds remains excludable from the gross income of the bondholders, the Series 2013 Bonds cannot be considered “private activity bonds.” To ensure that the Series 2013 Bonds are not considered private activity bonds, the Authority, the Board and the Corporation make the acknowledgments, representations, warranties and covenants as noted and contained in this Article III.
2. The Facilities. As more fully described in the Facilities Lease, the Facilities include residence halls constructed and renovated with the proceeds of the Prior Bonds.
3. Ownership of the Facilities.
 - a. Pursuant to the terms of the Ground and Buildings Lease Agreement dated as of August 1, 2004 (the “***Original Ground Lease***”), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the “***First Amendment to Ground Lease***”), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the “***Second Amendment to Ground Lease***”), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the “***Third Supplemental Ground Lease***” and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the “***Ground Lease***”) each by and between the Board and the Corporation, the

Board has leased the land on which the Facilities have been constructed to the Corporation, and the Corporation has constructed the Facilities. The Board will own the Facilities throughout the term of the Series 2013 Bonds.

- b. Pursuant to the terms of an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the “***Original Facilities Lease***”), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the “***First Amendment to Facilities Lease***”), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the “***Second Amendment to Facilities Lease***”), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the “***Third Supplemental Facilities Lease***” and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the “***Facilities Lease***”) each by and between the Corporation and the Board, the Corporation has leased the completed Facilities back to the Board.
 - c. The Corporation has no substantial rights to use the Facilities except as set forth in the Facilities Lease. The Corporation will assign all of its right, title and interest in and to the Facilities Lease to the Issuer.
4. Contracts. The Corporation has disclosed to Bond Counsel all its contracts and agreements and those of the Board relating to the maintenance and operation of the Facilities on Exhibit D. Except for those contracts and agreements listed on Exhibit D, the Corporation represents that there are no contracts or agreements relating to the maintenance and operation of the Facilities and the Corporation does not expect to enter into any such contracts or agreements.
 5. Not Private Activity Bonds. The Board and the Corporation will not use the Facilities or cause the Facilities to be used in a manner that will result in the Series 2013 Bonds becoming “private activity bonds” within the meaning of Section 141 of the Code.
 - a. The Board and the Corporation acknowledge that the Series 2013 Bonds will be considered “private activity bonds” if more than 5% of the Facilities is used by a Private Person in a trade or business.
 - b. The Board and the Corporation acknowledge that in determining whether all or a portion of the Facilities is used, directly or indirectly, in the trade or business of a Private Person for purposes of the “private business use test” under Section 141(b)(1) of the Code, use of the Facilities or any portion thereof by a Private Person pursuant to any agreement, including any management or other service contract must be examined.
 - c. Except for Permitted Contracts the Board and the Corporation will not enter into any contract or agreement with respect to any portion of the Facilities without first disclosing such contract to the Authority.
 - d. None of the Authority, the Corporation nor the Board knows of any reason that the Facilities, or any part thereof, will not be used as described in this Tax Agreement in the absence of (i) supervening circumstances not anticipated by the Authority, the Corporation or the Board at the date of issue of the Series 2013 Bonds, (ii) adverse circumstances beyond their control or (iii) obsolescence of such insubstantial parts or portions thereof as may occur as a result of normal use thereof.

IV. General Tax Matters

1. Form 8038. To the best of the knowledge of the Authority, the Corporation and the Board, the information shown on IRS Form 8038 that is included in the transcript of proceedings relating to the issuance of the Series 2013 Bonds is true, accurate and complete.
2. No adverse actions. The Authority, the Corporation and the Board will not knowingly take or permit to be taken any action that would have the effect, directly or indirectly, of causing the interest on any of the Series 2013 Bonds to be included in the gross income of the holders thereof for federal income tax purposes.
3. Filings. The Authority will comply with and make all filings required by all effective rules, rulings or Regulations promulgated by the Department of Treasury or the IRS with respect to obligations described in Section 103 and Sections 141-150 of the Code.
4. Information Reporting. The Authority will comply with the information reporting requirements of Section 149(e)(2) of the Code.
5. Federal Guarantee. The Authority, the Corporation and Board will not cause the Series 2013 Bonds to be treated as “Federally Guaranteed Obligations” for purposes of Section 149(b) of the Code, as may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or IRS with respect to Federally Guaranteed Obligations described in Section 149(b) of the Code. Unless otherwise excepted under Section 149(b) of the Code, the Series 2013 Bonds will be considered federally guaranteed obligations if (i) the payment of principal and interest with respect to the Series 2013 Bonds is guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), (ii) 5% or more of the Bond Proceeds is (A) to be used in making loans, the payment of principal or interest with respect to which is to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof) or (B) to be invested (directly or indirectly) in federally insured deposits or accounts or (iii) the payment of principal or interest on the Series 2013 Bonds is otherwise indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof). For purposes of determining whether the Series 2013 Bonds are federally guaranteed, a guarantee by the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Insurance Corporation, the Government National Mortgage Association or the Resolution Funding Corporation is not considered a “federal guarantee”.
6. Not Hedge Bonds. The Corporation and the Trustee covenant that not more than fifty percent (50%) of the Bond Proceeds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.
7. Payment of Costs of Issuance. The Authority reasonably expects that at least 95% of the Costs of Issuance will have been paid by the date that is 180 days after the Date of Issue.
8. Weighted Average Maturity of the Bonds and the Prior Bonds. The Underwriters have furnished a certificate, attached hereto as Exhibit E, which certifies that the weighted average maturity of the Prior Bonds is 10.331 years and that the weighted average maturity of the Series 2013 Bonds is 6.749 years.
9. Private Activity Bond Requirements Applicable to Qualified 501(c)(3) Bonds.

- a. At least 95% of the net sale proceeds of the Prior Bonds (as defined in Regulation 1.148-1(b)) were used to construct or acquire either land or property of a character subject to the allowance for depreciation under the Code, and substantially all amounts to be paid or incurred from the proceeds of the Prior Bonds are, for federal income tax purposes, chargeable to a capital account related to the Facilities or would be so chargeable either with a proper election by the Corporation (under Section 266 of the Code) or but for a proper election by the Corporation to deduct such amounts.
- b. None of the proceeds of the Prior Bonds were used directly or indirectly to provide residential rental property for family units.
- c. None of the proceeds of the Prior Bonds were used to provide a facility the primary purpose of which is retail food and beverage services, automobile sales or service, or the provision of recreation or entertainment and no portion of the proceeds of the Prior Bonds were used to provide any private or commercial golf course, country club, massage parlor, tennis club, skating facility (including roller skating, skateboard and ice skating), racquet sports facility (including any handball or racquetball court), hot tub facility, suntan facility, or racetrack. Furthermore, no portion of the proceeds of the Prior Bonds will be used to provide any: airplane; skybox or other private luxury box; health club facility; facility primarily used for gambling; or store the principal business of which is the sale of alcoholic beverages for consumption off premises.
- d. No more than 2% of the proceeds of the Series 2013 Bonds will be used to pay Costs of Issuance of the Series 2013 Bonds.
- e. As required by Section 147(f) of the Code, the Series 2013 Bonds and the Facilities were the subject of public hearings held July 21, 2004, which were preceded by reasonable public notice, and were subsequently approved by the Louisiana Attorney General.

V. 501(c)(3) Status of the Corporation

1. General. The Corporation recognizes that the Corporation must be an organization described in Code section 501(c)(3) in order for the interest on the Series 2013 Bonds to be and remain excludable from the gross income of the bondholders.
2. Representations, warranties and covenants of the Corporation. The Corporation hereby represents, warrants and covenants that:
 - a. The Corporation has received a written determination from the Internal Revenue Service that the Corporation is described in Code section 501(c)(3) and not a private foundation as defined in Code section 509(a) (the “***Corporation Determination Letter***”). The Corporation Determination Letter is attached hereto as Exhibit G.
 - b. The Corporation Determination Letter has not been modified, limited or revoked and the Corporation is in compliance with all terms, conditions and limitations, in any, contained in the letter.
 - c. The facts and circumstances that form the basis of the Corporation Determination Letter as represented to the Internal Revenue Service (the “***IRS***”) continue to exist and no material facts or circumstances have arisen that could affect the validity of the

Corporation Determination Letter.

- d. Throughout the term of the Series 2013 Bonds, the Corporation shall do, or cause to be done, all things necessary to continue to be a non-profit corporation, duly organized and existing under the laws of the State.
- e. Throughout the term of the Series 2013 Bonds, the Corporation shall do, or cause to be done, all things necessary to continue to be classified as an organization described in Code section 501(c)(3) that is not a private foundation as defined in Code section 509(a).
- f. The Corporation's ownership and operation of the Facilities is substantially related to and in furtherance of the Corporation's Exempt Purpose.
- g. The Corporation will not knowingly perform any act or knowingly enter into any agreement that adversely affects the federal income tax status of the Corporation or the Corporation, including its status as an organization described in Section 501(c)(3) of the Code, and shall conduct its operations in a manner that will conform to the standards necessary to continue to qualify the Corporation as an organization described in Section 501(c)(3) of the Code or any successor provision of federal income tax law.
- h. The Corporation does not expect to perform any act, or enter into any agreement or transaction that would result in it no longer being an organization described in Section 501(c)(3) of the Code. To that end, the Corporation hereby covenants that it will follow all applicable rulings and procedures outlined by the Regulations relating to organizations described in Section 501(c)(3) of the Code.

VI. Yield on the Series 2013 Bonds

- 1. Generally. For purposes of this Tax Agreement, Yield is calculated as set forth in Section 148(b) of the Code and Treasury Regulations §§1.148-4 and 1.148-5. The Yield on the Series 2013 Bonds will be determined on an aggregate basis by treating all payments of principal and interest with respect to the Series 2013 Bonds as if paid with respect to a single obligation issued on the Closing Date for an amount equal to the issue price of the Series 2013 Bonds. For purposes of this Tax Agreement, Yield shall be calculated on a 360-day year basis with interest compounded semi-annually.
- 2. Issue Price.
 - a. Under Section 1.148-1(b) of the Treasury Regulations, the "issue price" of the Series 2013 Bonds is the first price at which a substantial amount of the Series 2013 Bonds is sold to the public. For this purpose, the term "public" does not include bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers.
 - b. The Underwriters have furnished a certificate, attached hereto as Exhibit E, which certifies (1) that all of the Series 2013 Bonds have been the subject of an initial bona fide offering to the public (exclusive of bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at prices equal to those amounts set forth on Exhibit E, (2) that such initial offering prices were established by a bona fide bid without regard to any amounts that would increase the Yield on any maturity of the Series 2013 Bonds above their market Yields, and (3) as to the prices (exclusive of accrued interest)

at which a substantial amount of each maturity of Series 2013 Bonds were sold to the public (exclusive of bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers). Based on past financing practices, the Authority believes that the initial offering price of the Series 2013 Bonds is reasonable under customary standards applicable in the established tax-exempt market.

- c. By reference to the Underwriters' certificate, the issue price of the Series 2013 Bonds is \$44,224,138.35, computed as follows:

| | |
|----------------------------------|-------------------------|
| Par Amount of Bonds | \$ 40,910,000.00 |
| Plus: Net Original Issue Premium | <u>3,314,138.35</u> |
| Issue Price | <u>\$ 44,224,138.35</u> |

3. Yield on the Series 2013 Bonds. The Underwriters have shown on Exhibit F that the Yield on the Series 2013 Bonds, calculated in accordance with the rules described above, is 3.1293%.

VII. Arbitrage

1. General. The Corporation is given the right under section 4.10 of the Indenture to direct the investment of Bond Proceeds while held in the funds and accounts established under the Indenture. The Corporation acknowledges that the continued exclusion of interest on the Series 2013 Bonds from gross income of the recipients thereof for purposes of federal income taxation depends, in part, upon compliance with the arbitrage limitations imposed by Section 148 of the Code. The Corporation hereby agrees and covenants that it shall not permit at any time or times any of the Bond Proceeds to be used in a manner that would cause the Series 2013 Bonds to be "arbitrage bonds" for purposes of Section 148 of the Code. The Corporation further agrees and covenants that it shall do and perform all acts and things necessary to ensure that the requirements of Section 148 of the Code are met.
2. Reasonable Expectations. This Article VII sets forth the reasonable expectations, statement of facts and representations of the Authority, the Board and the Corporation with respect to the amount, use and investment of the proceeds of the Series 2013 Bonds.
3. Funds and Accounts. The only funds and accounts relating to the Series 2013 Bonds are those listed below.
 - a. The following funds and accounts are created under the Indenture and maintained with the Trustee:
 1. Series 2013 Bond Proceeds Fund and a Series 2013 Costs of Issuance Account therein;
 2. Series 2013 Debt Service Fund, containing:
 - (1) Interest Account; and
 - (2) Principal Account;
 3. Series 2013 Debt Service Reserve Fund;
 4. Replacement Fund;
 5. Receipts Fund;
 6. Surplus Fund; and
 7. Series 2013 Rebate Fund.

- b. Pursuant to the Escrow Deposit Agreement dated as of November 1, 2013 (the “*Escrow Agreement*”) by and between the Issuer and The Bank of New York Mellon Trust Company, N.A. (the “*Escrow Agent*”), an Escrow Fund is created and held by the Escrow Agent.
4. Description of Funds. Under the terms of the Indenture, the funds listed above will be used as follows:
- a. *The Series 2013 Bond Proceeds Fund.* The Series 2013 Bond Proceeds Fund shall be used to receive the proceeds of the Series 2013 Bonds, a transfer from the Prior Bonds Debt Service Reserve Fund in the amount of \$3,765,837.50, a transfer from the Prior Bonds Debt Service Fund in the amount of \$1,116,134.38, a transfer from the Prior Bonds Project Fund in the amount of \$762,582.09, and a contribution from the Board of \$7,500,000 (the “*Board Contribution*”). On the Closing Date, the Trustee shall disburse amounts held in the Series 2013 Bond Proceeds Fund as follows: (i) to retain a portion of the Board Contribution in the Series 2013 Costs of Issuance Account as may be specified in the request and authorizations delivered pursuant to the Indenture, (ii) to transfer a portion of the Board Contribution to the Series 2013 Debt Service Reserve Fund, and (iii) to the Escrow Fund the balance of the proceeds of the Series 2013 Bonds, the transfer from the Prior Bonds Debt Service Reserve Fund, the transfer from the Prior Bonds Debt Service Fund, the transfer from the Prior Bonds Project Fund, and the balance of the Board Contribution.
- b. *The Series 2013 Debt Service Fund; Interest Account and Principal Account.* The Series 2013 Debt Service Fund is comprised of an Interest Account and a Principal Account, which shall be used for the following purposes:
- (1) The Interest Account. On the twenty-fifth (25th) day of each month, commencing November 25, 2013, the Authority shall transfer or cause to be transferred into the Interest Account of the Series 2013 Debt Service Fund an amount equal to one-third (1/3rd) of the interest due and payable on the Series 2013 Bonds on February 1, 2014 and thereafter, on the 25th day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest due and payable on the Series 2013 Bonds on the next February 1 and August 1 or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2013 Debt Service Fund, will be sufficient to pay interest on the Series 2013 Bonds on such Interest Payment Date
 - (2) The Principal Account. On the twenty-fifth (25th) day of each month, commencing November 25, 2013, the Authority shall transfer or cause to be transferred into the Principal Account of the Series 2013 Debt Service Fund an amount equal to one-ninth (1/9th) of the principal of the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the 25th day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal of the Series 2013 Bonds payable on the next Principal Payment Date.

In the event of the refunding of the Series 2013 Bonds pursuant to Section 5.2 of the Indenture, the Trustee will, if the Corporation so directs, withdraw from the Series 2013 Debt Service Fund all, or any portion of, the amounts accumulated therein with respect to Debt Service Requirements on the Series 2013 Bonds being refunded and deposit such amounts with the Trustee to be held for the

payment the principal or Redemption Price, if applicable, and interest on the Series 2013 Bonds being refunded; provided that such withdrawal will not be made unless immediately thereafter the Series 2013 Bonds being refunded will be deemed to have been paid pursuant to the Indenture. In the event of such refunding, the Authority, through the Corporation and the Board, may also direct the Trustee to withdraw from the Series 2013 Debt Service Fund all, or any portion of, the amounts accumulated therein with respect to Debt Service Requirements on the Series 2013 Bonds being refunded and deposit such amounts in any Fund or Account under the Indenture; provided, however, that such withdrawal will not be made unless immediately thereafter the Series 2013 Bonds being refunded will be deemed to have been paid pursuant to the Indenture and provided, further, that at the time of such withdrawal, there will exist no deficiency in any Fund or Account held under the Indenture.

c. *The Series 2013 Debt Service Reserve Fund.*

- (1) The Series 2013 Debt Service Reserve Fund shall be funded on the date of delivery of the Series 2013 Bonds in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement.
- (2) The Trustee shall transfer money from the Series 2013 Debt Service Reserve Fund to the Interest Account and the Principal Account of the Series 2013 Debt Service Fund to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, whenever and to the extent that the money on deposit in said accounts (together with any amounts available therefor in the Surplus Fund and the Replacement Fund) is insufficient for such purposes.
- (3) If the money held in the Series 2013 Debt Service Reserve Fund, including interest earnings, exceeds the Series 2013 Debt Service Reserve Fund Requirement an amount equal to such excess shall be transferred by the Trustee to the Interest Account of the Series 2013 Debt Service Fund. The Trustee shall not be required to liquidate any investment before its maturity to make such transfer. Whenever the amount on deposit in the Series 2013 Debt Service Reserve Fund is less than the Series 2013 Debt Service Reserve Fund Requirement, the Trustee shall notify the Authority and the Corporation of the amount of such deficiency and such deficiency will be remedied, as provided in Section 4.6(h) hereof. Upon notification the Corporation shall deliver to the Trustee an amount sufficient to cure the deficiency in accordance herewith and the Agreement.
- (4) The Authority may, at the direction of the Corporation, as advised by the Board, at any time, deposit with the Trustee, to replace cash in the Series 2013 Debt Service Reserve Fund (in which case the replaced cash shall be paid to the University) or to meet the requirements herein that it deposit additional amounts in the Series 2013 Debt Service Reserve Fund, a Debt Service Reserve Fund Investment. Any bank issuing a letter of credit must have a rating on its unsecured debt, or on debt secured by its letters of credit and which ratings are based solely on the bank's letter of credit, of "AA-" or better by S&P and "Aa3" or better by Moody's. Any insurance company issuing a surety bond must have a claims-paying ability rating of "AAA" by S&P and "Aaa" by Moody's. If such

Debt Service Reserve Fund Investment expires prior to fifteen (15) days after the final maturity of the Series 2013 Bonds, it must provide, that if not renewed within fifteen (15) days prior to its expiration date in an amount equal to the undrawn amount thereof (other than because of a reduction in the Series 2013 Debt Service Reserve Fund Requirement or the deposit of cash in the Series 2013 Debt Service Reserve Fund to replace it), the Trustee may draw the full amount of such Series 2013 Debt Service Reserve Fund Investment. The Trustee shall draw down the full amount of such Debt Service Reserve Fund Investment and deposit such amount in the Series 2013 Debt Service Reserve Fund fifteen (15) days prior to expiration of such Debt Service Reserve Fund Investment if it is not renewed as provided for in the preceding sentence. The Debt Service Reserve Fund Investment must be able to be drawn upon at any time that cash could be withdrawn from the Series 2013 Debt Service Reserve Fund. Prior to accepting any such Debt Service Reserve Fund Investment, the Trustee, the Corporation, the Board and the Authority must receive a Bond Counsel opinion that such acceptance and any payment of funds in the Debt Service Reserve Fund to the Corporation is authorized by this Indenture and will not adversely affect the exclusion of interest on the Series 2013 Bonds. If a Debt Service Reserve Fund Investment is deposited in the Series 2013 Debt Service Reserve Fund in lieu of cash, the cash amount contained in the Series 2013 Debt Service Reserve Fund shall be transferred to the Replacement Fund.

- (5) If a disbursement is made under a surety bond deposited in the Series 2013 Debt Service Reserve Fund, the Corporation shall be obligated to either reinstate the maximum limits of such surety bond immediately following such disbursement in twelve (12) equal monthly installments or as required by the Authority of the Debt Service Reserve Fund Investment in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement or deposit into the Series 2013 Debt Service Reserve Fund funds in the amount of the disbursement made under the Debt Service Reserve Fund Investment, or a combination of such alternatives as shall equal the Series 2013 Debt Service Reserve Fund Requirement.

d. *The Replacement Fund.*

- (1) All moneys in the Replacement Fund shall be held for the benefit of the Board through the Corporation, are not pledged under the Indenture and may be drawn on and used by the Corporation or the Board to (i) replace any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, equipment, fixtures and other property owned by the Board or the Corporation and located on the Facilities and (ii) maintain the Facilities and to make all alterations, repairs, restorations and replacements to the Facilities as and when needed to preserve the Facilities in good working order, condition and repair, each as required by the Facilities Lease. Withdrawals from the Replacement Fund for the purposes set forth above shall be made by the Trustee upon its receipt of a requisition from the University or the Corporation substantially in the form attached to the Original Indenture. Moneys in the Replacement Fund may also be drawn by the Trustee and transferred to the Series 2013 Debt Service Fund if amounts on deposit therein, together with amounts available therefor in the Surplus Fund, are insufficient to pay debt service on the the Series 2013 Bonds on any Interest Payment Date or Principal Payment Date.

- (2) Any moneys remaining in the Replacement Fund immediately prior to the time all of the Series 2013 Bonds are paid, or provision for their payment is made in accordance with the Indenture shall, at the option of the University, be used, together with amounts held in the Series 2013 Debt Service Reserve Fund, to pay in full all outstanding Series 2013 Bonds in accordance with their terms or shall be paid to the University.
- e. *The Receipts Fund.* In the event that the Facilities Lease is no longer in effect and the revenues of the Facilities cease to be Auxiliary Revenues (as defined in the Facilities Lease), the Trustee shall create a Revenue Fund into which the revenues of the Facilities shall be deposited.
- f. *The Surplus Fund.* Funds on deposit in the Surplus Fund at the end of any Fiscal Year may be transferred to the University on the date described below if (i) the Debt Service Coverage Ratio for the Facilities was 1.10:1.00 or greater for such Fiscal Year as evidenced by the audited financial statements for such Fiscal Year and (ii) neither the Corporation or the Board are in default under the financing documents on the date of transfer to the University. Upon receipt of the audited financial statements for such Fiscal Year, provided that the above described conditions have been met, then at the written instruction of the University Representative, the Trustee shall transfer all of the amounts in the Surplus Fund on the last day of the immediately preceding Fiscal Year to the University.

To the extent that there are insufficient funds in the Receipts Fund to make any of the transfers to the various funds and accounts required by the Indenture on the dates such transfers are required to be made, any amounts contained in the Surplus Fund shall be transferred to such funds and accounts, in the priority set forth in the Indenture, to make up for such deficiency.

- g. *The Rebate Fund.* The Rebate Fund will be used to make all rebate payments owed to the United States under the Code in accordance with the provisions of Article VIII of this Tax Agreement.
5. No other sinking or pledge fund. Except for the Escrow Fund, the Series 2013 Debt Service Fund and the Series 2013 Debt Service Reserve Fund, there are no funds or accounts comprised of securities (within the meaning of Section 165(g)(2)(A) or (B) of the Code), obligations, annuity contracts or investment-type property, established by or on behalf of the Authority, the Board or Corporation, that are reasonably expected to be used or generate earnings to be used to pay Debt Service on the Series 2013 Bonds or that are reserved or pledged as collateral for payment of Debt Service on the Series 2013 Bonds and for which there is reasonable assurance that amounts therein will be available to pay such Debt Service if the Board or the Corporation encounters financial difficulties; therefore, there is no other fund created or established or to be created or established that would be treated as a sinking fund in connection with the Series 2013 Bonds.
6. No Replacement Funds.
- a. Except for amounts in the Escrow Fund, the Series 2013 Debt Service Fund and the Series 2013 Debt Service Reserve Fund, neither the Authority, the Board nor the Corporation expects to have on hand any property, including cash and securities, that is legally required or otherwise restricted (no matter where held or the source thereof) to be

used, directly or indirectly, for the purposes for which the Series 2013 Bonds are being issued.

- b. No portion of the Bond Proceeds will be used as a substitute for other funds that were otherwise to be used as a source of financing for the Facilities or for the payment of Debt Service on the Series 2013 Bonds and that have been or will be used to acquire directly or indirectly securities producing a Yield in excess of the Yield on the Series 2013 Bonds.
- c. The term of the Series 2013 Bonds is no longer than is reasonably necessary for the purposes of the Series 2013 Bonds.

7. Use of Bond Proceeds. This section sets forth the reasonable expectations of the Authority with respect to the use of the Bond Proceeds from the Series 2013 Bonds.

- a. On the basis of the facts, estimates and circumstances in existence on the date hereof, the Authority reasonably expects that the proceeds derived from the sale of the Series 2013 Bonds will be equal to \$44,224,138.35, that the Underwriters will retain \$296,597.50 as underwriter's discount, and that the Authority will receive \$43,927,540.85 (for purposes of this subsection, the "***Bond Proceeds***").
- b. The Bond Proceeds, a transfer from the Prior Bonds Debt Service Reserve Fund in the amount of \$3,765,837.50 (the "***Prior Bonds Debt Service Reserve Fund Transfer***"), a transfer from the Prior Bonds Debt Service Fund in the amount of \$1,116,134.38 (the "***Prior Bonds Debt Service Fund Transfer***"), a transfer from the Prior Bonds Project Fund in the amount of \$762,582.00 (the "***Prior Bonds Project Fund Transfer***"), together with the Prior Bonds Debt Service Reserve Fund Transfer and the Prior Bonds Debt Service Fund Transfer, the "***Prior Bonds Transfer***") and a contribution from the Board in the amount of \$7,500,000.00 (the "***Board Contribution***") are expected to be needed and fully expended as follows:
 - (1) \$326,536.64 of the Board Contribution will be retained in the Series 2013 Cost of Issuance Account of the Series 2013 Bond Proceeds Fund to pay the Costs of Issuance of the Series 2013 Bonds;
 - (2) \$2,045,500.00 of the Board Contribution will be deposited into the Series 2013 Debt Service Reserve Fund; and
 - (3) the balance of the Board Contribution, the Prior Bonds Transfer, and the Bond Proceeds will be deposited into the Escrow Fund.

8. Investment and Disposition of amounts in Funds.

- a. *General Rule.* No Nonpurpose Investment may be acquired with Gross Proceeds for an amount (including transaction costs, except as otherwise provided in §1.148-5(e) of the Regulations) in excess of the Fair Market Value of such Nonpurpose Investment. No Nonpurpose Investment may be sold or otherwise disposed of for an amount (including transaction costs, except as otherwise provided in §1.148-5(e) of the Treasury Regulations) less than the Fair Market Value of the Nonpurpose Investment.
- b. *Fair Market Value.* In general, the Fair Market Value of any Nonpurpose Investment is the price at which a willing buyer would pay to a willing seller to acquire the Nonpurpose

Investment, with no amounts paid to artificially reduce or increase the Yield on such Nonpurpose Investment. Exhibit C to this Tax Agreement sets forth certain safe harbors for determining Fair Market Value. Other methods may be used to establish Fair Market Value, provided, however, that such methods comply with the requirements of §1.148-5(d)(6) of the Regulations.

- c. *Arm's Length Purchase and Sale.* If a Nonpurpose Investment is acquired pursuant to an arm's length transaction without regard to any amount paid to reduce the Yield on the Nonpurpose Investment, the Fair Market Value of the Nonpurpose Investment shall be the amount paid for the Nonpurpose Investment (without increase for transaction costs, except as otherwise provided in §1.148-5(e) of the Regulations). If a Nonpurpose Investment is sold or otherwise disposed of in an arm's length transaction without regard to any reduction in the disposition price to reduce the Rebate Amount, the Fair Market Value of the Nonpurpose Investment shall be the amount realized from the sale or other disposition of the Nonpurpose Investment (without reduction for transaction costs, except as otherwise provided in §1.148-5(e) of the Regulations).
- d. *Broker Compensation.* For purposes of computing the Yield on any Nonpurpose Investment which has been acquired through a broker or other intermediary obtaining bids for such Nonpurpose Investment, any compensation that is received by such broker or other intermediary, whether payable by or on behalf of the obligor or obligee under such Nonpurpose Investment, shall be treated as set forth in Regulations §1.148-5(e). Any broker or other intermediary compensation with respect to an investment contract that exceeds the lesser of a reasonable fee and 0.05 percent of the amount reasonably expected to be invested per year will be treated as additional earnings to the Authority and the Corporation.

9. Expectations with regard to Certain Funds.

a. *The Series 2013 Debt Service Fund.*

- (1) The Series 2013 Debt Service Fund (including the Interest Account and the Principal Account) is used primarily to achieve a proper matching of revenues and debt service within each Bond Year. The Debt Service Fund will be depleted at least once annually except for a reasonable carryover amount not in excess of the greater of (A) the earnings on the Debt Service Fund for the immediately preceding Bond Year or (B) 1/12th of the principal and interest payments on the Series 2013 Bonds for the immediately preceding Bond Year.
- (2) Amounts deposited in the Debt Service Fund will be spent within thirteen months after the date of such deposit, and any investment earnings (net of losses) received from the investment or reinvestment of moneys held in such funds will be expended within one year after the date of accumulation thereof in the fund.

- b. *The Series 2013 Debt Service Reserve Fund.* The Series 2013 Debt Service Reserve Fund will be used only as a reserve for the payment of principal or interest on the Series 2013 Bonds in the event that no other moneys are available therefor. The total amount held in the Series 2013 Debt Service Reserve Fund at any time will not exceed the Debt Service Reserve Requirement.

10. Restrictions on Investments of Amounts in Funds.

- a. *The Escrow Fund.* Amounts deposited in the Escrow Fund may not be invested at a Yield in excess of the Yield on the Series 2013 Bonds. The amounts deposited in the Escrow Fund will be invested in United States Treasury Securities – State and Local Government Series (“SLGS”) or any other direct obligations of the United States of America (collectively, the “Government Obligations”) with Yields that do not exceed the Yield on the Series 2013 Bonds until the Redemption Date.
- b. *The Series 2013 Debt Service Fund.* Except as otherwise provided in this section, amounts deposited in the Series 2013 Debt Service Fund may be invested without regard to investment Yield limitations for a period not exceeding thirteen months from the date of the first deposit of such amounts in the Series 2013 Debt Service Fund. Such amounts are not subject to the rebate requirement described in Article VIII hereof. To the extent that amounts deposited in the Series 2013 Debt Service Fund are not spent as provided in Section VII.9.b of this Tax Agreement, such amounts may not be invested in obligations which bear a Yield in excess of .125% above the Yield on the Series 2013 Bonds.
- c. *The Series 2013 Debt Service Reserve Fund.* Amounts deposited into the Series 2013 Debt Service Reserve Fund may be invested without regard to investment Yield. Investment earnings on amounts held in the Series 2013 Debt Service Reserve Fund are subject to the rebate requirement described in Article VIII.
- d. *The Rebate Fund.* Amounts deposited into the Rebate Fund and the Receipts Fund (prior to their transfer out of the Receipts Fund) may be invested without regard to investment Yield limitations. Investment earnings on amounts held in these Funds are not subject to the rebate requirement described in Article VIII hereof.
- e. *Investment Earnings.* Investment earnings on moneys in the Project Fund and Capitalized Interest Fund may be invested without regard to investment Yield for a period not to exceed the later of (i) three years from the date hereof or (ii) one year from the date of receipt of such investment earnings. Investment earnings on amounts in the Debt Service Fund may be invested without regard to investment Yield limitations for a period of one year from the date of receipt of such investment earnings. All such earnings are subject to the rebate requirement described in Article VIII hereof. Investment earnings on amounts in the Maintenance Reserve Fund may not be invested in obligations which bear a Yield in excess of .125% of the Yield on the Series 2013 Bonds. Investment earnings on amounts in the Rebate Fund may be invested without regard to investment Yield limitations.
- f. *Investment Restrictions.* Unless otherwise authorized by Bond Counsel, any amounts that are required to be invested in obligations which bear a Yield not in excess of .125% above the Yield on the Series 2013 Bonds shall be invested in either (i) Tax-Exempt Obligations, or (ii) Nonpurpose Investments with a Yield not exceeding .125% above the Yield on the Series 2013 Bonds.
- g. *No Abusive Arbitrage Device.* The Series 2013 Bonds are not and will not be part of a transaction or series of transactions that (i) attempts to circumvent the provisions of Section 148 of the Code and related regulations, enabling the Authority, the Corporation or any other person to exploit the difference between tax-exempt and taxable interest

rates to gain a material financial advantage, or (ii) increases the burden on the market for tax-exempt obligations in any manner, including, without limitation, selling bonds that would not otherwise be sold, or selling more bonds, or issuing them sooner, or allowing them to remain outstanding longer, than would otherwise be necessary.

VIII. Rebate

1. General. The Board and the Corporation acknowledge that the continued exclusion of interest on the Series 2013 Bonds from gross income of the recipients thereof for purposes of federal income taxation depends, in part, upon compliance with rebate requirement described in this section. To that end, the Board and the Corporation covenant to comply with the requirements of the Code relating to the rebate requirement as discussed in this Article VIII. The Board and the Corporation acknowledge that the United States Department of the Treasury has issued regulations with respect to certain of these undertakings, including the proper method for computing whether any rebate amount is due the federal government under Section 148(f) of the Code. The Board and the Corporation covenant that they will undertake to determine what is required with respect to the rebate provisions contained in Section 148(f) of the Code and the regulations promulgated thereunder and will comply with any requirements that may be applicable to the Series 2013 Bonds. Except to the extent inconsistent with any requirements of the Code or the regulations, the Board and/or the Corporation will undertake the methodology described in this Tax Agreement.
2. The Rebate Fund. There is created under the Indenture the Rebate Fund held by the Trustee. The Authority and the Corporation have agreed to keep the Rebate Fund separate and apart from all other funds and moneys held by any of the Authority, the Corporation and the Trustee.
3. Record Keeping. The Corporation shall maintain, or cause the Trustee to maintain, detailed records with respect to each Nonpurpose Investment attributable to Gross Proceeds of the Series 2013 Bonds, including: (i) purchase price; (ii) information establishing Fair Market Value on the date such investment became a Nonpurpose Investment; (iii) any accrued interest due on its purchase date; (iv) face amount; (v) coupon rate; (vi) frequency of interest payments; (vii) disposition price; (viii) accrued interest due on its disposition date; and (ix) disposition date. These records are required to facilitate the calculation of the Rebate Amount.
4. Rebate Amount Calculation and Payment.
 - a. The Corporation will prepare, or cause to be prepared, a calculation of the Rebate Amount within 45 days after each Computation Date.
 - b. On or before 45 days following each Computation Date, the Corporation shall pay to and deposit in the Rebate Fund an amount such that the balance held in the Rebate Fund equals the aggregate Rebate Amount due as of the Rebate Payment Date following such Computation Date.
 - c. Not later than 60 days after each Installment Computation Date, the Corporation shall pay, or direct the Trustee to pay, to the United States, 90% of the Rebate Amount. The Corporation shall pay, or direct the Trustee to pay, to the United States, not later than 60 days after the Final Computation Date, 100% of the Rebate Amount.
 - d. Each payment required to be made hereto shall be mailed to the Internal Revenue Service Center, Ogden, Utah 84201. Each payment shall be accompanied by: (i) a copy of IRS Form 8038-T; (ii) the CUSIP number for the Bond with the latest maturity; and (iii) a

statement summarizing the determination of the Rebate Amount. If such payment is made by the Corporation, the Corporation shall provide the Trustee with evidence of such payment and copies of the accompanying materials required by this subsection. If such payment is to be made by the Trustee, the Corporation shall furnish to the Trustee the materials required by this subsection.

5. Record Retention. In connection with the calculation of the Rebate Amount, the Trustee shall maintain the following records:

- a. The Trustee shall record all amounts paid to the United States pursuant to this Article. The Trustee shall furnish to the Authority and the Corporation copies of any materials filed with the IRS pertaining thereto and shall provide the Authority and the Corporation with all records in its possession that the Authority, the Corporation or the Rebate Analyst may request relating to the calculation of any Rebate Amount.
- b. The Trustee or the Corporation shall retain records of the rebate calculations until six (6) years after the Final Computation Date.
- c. The Trustee shall keep and record the data described in Section VIII.3 herein pertaining to the investments of the Bond Proceeds.

6. Rebate Analyst.

- a. A Rebate Analyst shall be appointed by the Corporation and retained by the Trustee to perform the rebate calculations required herein. The Rebate Analyst and each successor Rebate Analyst shall signify its acceptance of the duties imposed upon it hereunder by a written instrument of acceptance delivered to the Authority, the Corporation and the Trustee under which such Rebate Analyst will agree to discharge its duties pursuant to this Tax Agreement in a manner consistent with prudent industry practice. In lieu of the appointment of another party as Rebate Analyst, the Corporation and the Trustee may agree to have the Trustee serve as the Rebate Analyst hereunder.
- b. The Trustee and the Authority may rely conclusively upon and shall be fully protected from all liability in relying upon the opinions, calculations, determination, directions and advice of the Rebate Analyst. The charges and fees for such Rebate Analyst shall be paid by the Corporation upon presentation of an invoice for services rendered in connection therewith.

7. Spending Exceptions from Rebate Requirement. Section 148(f)(4) of the Code and Section 1.148-7 of the Regulations provide for spending exceptions to the rebate requirement. These exceptions are the six-month exception, the eighteen-month exception, and the two-year exception. To the extent that Gross Proceeds of the Series 2013 Bonds are determined to have been allocated to expenditures in a manner which satisfies any of the spending exceptions, investment earnings allocable to such Proceeds need not be rebated to the United States.

IX. Miscellaneous


1. Term. This Tax Agreement shall be effective from the date of issuance of the Series 2013 Bonds through the date six (6) years after the Final Computation Date and will be effective at all times while the Series 2013 Bonds are outstanding.

2. Amendments. Notwithstanding any other provision hereof, any provision of this Tax Agreement may be amended or waived by an instrument in writing executed by the Authority, the Board, the Corporation and the Trustee, provided that there first shall have been provided to the Trustee a written opinion of Bond Counsel, in form and substance satisfactory to the Trustee and the Authority, that such amendment or waiver will not adversely affect the exclusion of interest on the Series 2013 Bonds from the gross income of the recipients thereof for purposes of federal income taxation.
3. Default; Remedies.
 - a. The failure of any party to this Tax Agreement to perform any of its required duties under any provision hereof shall constitute an event of default under this Tax Agreement.
 - b. Upon an occurrence of an event of default, the Authority or the Trustee may, in their discretion, proceed to protect and enforce their rights and the rights of the owners of the Series 2013 Bonds by pursuing any available remedy under and in accordance with the Indenture and the Loan Agreement, in addition to pursuing any other available remedy, including, but not limited to, a suit at law or in equity.
4. Post Issuance Tax Compliance. The Corporation acknowledges that the Issuer has established written procedures intended to monitor the requirements of Section 148 of the Code. The Corporation acknowledges that the Issuer's Post Issuance Tax-Exempt Debt Compliance Policies dated August 8, 2013 are attached to this Tax Agreement as Exhibit H. The Corporation covenants that it will comply with such policies of the Issuer and the responsibilities imposed upon conduit borrowers described in such policies to the extent such policies are applicable to the Bonds.

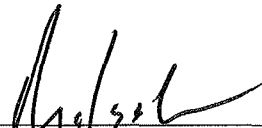
[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority, the Corporation, the Board and the Trustee have caused this Tax Agreement to be executed on their behalf by their duly authorized representative this 6th day of June, 2013.

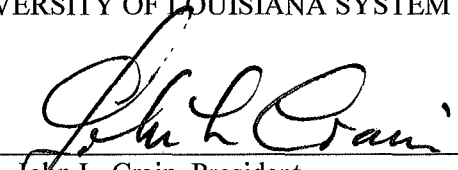
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: 
Steve A. Dicharry, Executive Director

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: 
Watson Barger, Vice President

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: 
John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

UNIVERSITY FACILITIES, INC.

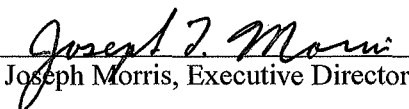
By: 
Joseph Morris, Executive Director

Exhibit A to Tax Regulatory Agreement and Arbitrage Certificate

Definitions

In addition to the words defined in this Tax Agreement and the Indenture, the following terms shall have the following meanings as used herein, unless the context requires a different meaning. In the case that the definition assigned to a term in this Tax Agreement or this Exhibit A differs from the definition assigned to that same term in any other document, the definition assigned by this Tax Agreement or this Exhibit A shall control for purposes of this Tax Agreement.

“Bond Counsel” means Jones Walker LLP, or such other nationally recognized counsel that is nationally recognized as expert in matters relating to the issuance of municipal bonds in this state that is acceptable to the Authority.

“Bond Owner” or **“Owner”** or **“Bondholder”** or **“Holder”** or any similar term, when used with reference to a Bond or Bonds means the registered owner of such Bond.

“Bond Proceeds” means all Proceeds of the Series 2013 Bonds.

“Bond Year” shall mean the twelve-month period ending on August 1, except that the first Bond Year shall begin on the Date of Issuance of the Series 2013 Bonds and end on August 1, 2014.

“Bond Yield” or **“Yield on the Series 2013 Bonds”** means the Yield of the Series 2013 Bonds calculated in accordance with Section 1.148-4 of the Regulations.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“Computation Date” means an Installment Computation Date or the Final Computation Date.

“Computation Date Credit” means, on the last day of each Bond Year during which there are Gross Proceeds subject to the rebate requirements of Article VIII hereof and on the Final Computation Date, the amount of \$1,000.

“Corporation’s Exempt Purpose” means the purpose of the Corporation upon which the Corporation’s status as an organization described in Code section 501(c)(3) is based.

“Cost of Issuance” means all costs incurred in connection with the issuance of the Series 2013 Bonds other than fees paid to or on behalf of credit enhancers as fees for “qualified guarantees” as defined in Section 1.148-4(f) of the Regulations. Examples of Costs of Issuance include (but are not limited to):

- (a) underwriting fees;
- (b) counsel fees (including Bond Counsel, underwriters’ counsel, Authority’s counsel, Corporation counsel, Trustee’s counsel, and any other specialized counsel fees incurred in connection with the issuance of the Series 2013 Bonds);
- (c) rating agency fees (except for any such fee that is paid in connection with or as a part of the fee for credit enhancement of the Series 2013 Bonds);

- (d) trustee fees incurred in connection with the issuance of the Series 2013 Bonds;
- (e) costs incurred in connection with the required public approval process (e.g., publication costs for public notices generally and costs of the public hearing); and
- (f) fees to cover administrative costs and expenses incurred in connection with the issuance of the Series 2013 Bonds.

“Date of Issue” means November 13, 2013.

“Discharged” means, with respect to any Bond, the date on which all amounts due with respect to such Bond are actually and unconditionally due, if cash is available at the place of payment, and no interest accrues with respect to such Bonds after such date.

“Economic Accrual Method” (also known as the constant interest method or actuarial method) means the method of computing Yield that is based on the compounding of interest at the end of each compounding period.

“Fair Market Value” shall have the meaning set forth in Section VII.8.b and Exhibit C to this Tax Agreement.

“Final Computation Date” means the date the last Bond is Discharged.

“Future Value” means the Value of a Receipt or Payment at the end of any interval as determined by using the Economic Accrual Method and equals the Value of that Payment or Receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over a period at a rate equal to the Yield on the Series 2013 Bonds, using the same compounding interval and financial conventions used to compute Bond Yield.

“Gross Proceeds” means any Proceeds or Replacement Proceeds of the Series 2013 Bonds.

“Indenture” means the Trust Indenture dated as of August 1, 2004, as supplemented and amended by the First Supplemental Trust Indenture dated as of November 1, 2013, each by and between the Authority and the Trustee, pursuant to which the Series 2013 Bonds were issued.

“Installment Computation Date” means the last day of the fifth Bond Year and each succeeding fifth Bond Year, or such other date selected by the Company in accordance with the Regulations.

“Investment” means any Purpose Investment or Nonpurpose Investment, including any other tax-exempt bond.

“Investment Proceeds” means any amounts actually or constructively received from investing Gross Proceeds of the Series 2013 Bonds.

“Minor Portion” means an amount not exceeding the lesser of 5% of the Sale Proceeds or \$100,000.

“Nonpurpose Investment” means any security, obligation, annuity contract, or investment type property defined in Section 148(b) of the Code and 148-1(b) of the Regulations that is not a Tax-Exempt Obligation.

“Payments” means, for purposes of computing the Rebate Amount: (i) amounts actually or constructively paid to acquire a Nonpurpose Investment (or treated as paid to a commingled fund); (ii) for a Nonpurpose Investment that is allocated to an issue on a date after it is actually acquired (e.g., an Investment that becomes allocable to Transferred Proceeds or to Replacement Proceeds) or that becomes subject to the rebate requirement of the Code on a date after it is actually acquired (e.g., an Investment allocated to a reasonably required reserve or replacement fund for a construction issue at the end of the two-year spending period), the Value of that Investment on that date; (iii) for a Nonpurpose Investment that was allocated to an issue at the end of the preceding computation period, the Value of that Investment at the beginning of the computation period; (iv) on the last day of each Bond Year during which there are amounts allocated to Gross Proceeds of an issue that are subject to the rebate requirement of the Code, and on the final maturity date, a Computation Date Credit; and (v) Yield Reduction Payments on Nonpurpose investments made pursuant to Section 1.148-5(c) of the Regulations. For purposes of computing the Yield on an investment (including the Value of the Investment), Payment means amounts to be actually or constructively paid to acquire the Investment; provided, however, that payments made by a conduit borrower, such as the Company, are not treated as paid until the conduit borrower ceases to receive the benefit of earnings on those amounts. Payments on Investments, including Guaranteed Investment Contracts, are adjusted for Qualified Administrative Costs of acquiring a Nonpurpose Investment.

“Permitted Contract” shall mean any contract with respect to the Facilities that is described on Exhibit B to this Tax Agreement.

“Private Person” means any individual, corporation, partnership, joint venture, association, joint-stock company, limited liability company, trust or unincorporated organization other than a governmental unit as that term is used in Section 141 of the Code.

“Proceeds” means any Sale Proceeds, Investment Proceeds and Transferred Proceeds of the Series 2013 Bonds.

“Purpose Investment” means an Investment that is acquired to carry out the governmental purpose of an issue. The Loan Agreement constitutes a Purpose Investment.

“Qualified Administrative Costs” means reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage or selling commissions, but not legal and accounting fees, record keeping, custody and similar costs; however, for guaranteed investments, a broker’s commission or similar fee paid is not a Qualified Administrative Cost to the extent that the present Value of the commission, as of the date the contract is allocated to the issue, exceeds the present Value of annual payments equal to .05% of the weighted average amount reasonably expected to be invested each year of the term of the contract. General overhead costs and similar indirect costs of the Authority such as employee salaries and office expenses and costs associated with computing the rebate Amount are not qualified Administrative Costs. In general, administrative costs are not reasonable unless they are comparable to administrative costs that would be charged for the same Investment or a reasonably comparable Investment if acquired with a source of funds other than Gross Proceeds of tax-exempt bonds.

“Rebate Amount” means the excess of the Future Value of all Receipts with respect to the Investments in Nonpurpose Investments allocated to the Gross Proceeds of the Series 2013 Bonds over

the Future Value of all the Payments with respect to such Nonpurpose Investments. Future Value is computed as of the Computation Date.

“Rebate Analyst” means the firm of certified public accountants, Bond Counsel or other specialist in the calculation of arbitrage rebate chosen in accordance with Section VIII.6 hereof to determine the Rebate Amount, if any.

“Rebate Payment Date” means any date on which a payment of a Rebate Amount is required to be paid to the United States pursuant to section VIII.4(b) of this Tax Agreement.

“Receipts” means, for purposes of computing the Rebate Amount: (a) amounts actually or constructively received from a Nonpurpose Investment (including amounts treated as received from a commingled fund) such as earnings and return of principal; (b) for a Nonpurpose Investment that ceases to be allocated to an issue before its disposition or redemption date (*e.g.*, an Investment that becomes allocable to transferred Proceeds of another issue or that ceases to be allocable to the issue pursuant to the universal cap under Section 1.148-6 of the regulations) or that ceases to be subject to the rebate requirement of the Code on a date earlier than its disposition or redemption date (*e.g.*, an Investment allocated to a fund initially subject to the rebate requirement of the code but that subsequently qualifies as a bona fide debt service fund), the Value of that Nonpurpose Investment on that date; and (c) for a Nonpurpose Investment that is held at the end of a computation period, the Value of that Investment at the end of that period. For purposes of computing Yield on an Investment, receipts means amounts to be actually or constructively received from the Investment, such as earnings and return or principal (including the Value of an Investment). Receipts on Investments, including Guaranteed Investment Contracts, are adjusted (reduced) for Qualified Administrative Costs.

“Redemption Date” means August 1, 2014.

“Regulation” or **“Regulations”** means the final Income Tax Regulations promulgated by Department of the Treasury and applicable to the Series 2013 Bonds, including Sections 1.148-0 through 1.148-11 and Sections 1.149, 1.150-2 relating to arbitrage compliance.

“Replacement Proceeds” means the amount described in Section 1.148-1(c) of the Regulations.

“Sale Proceeds” means any amounts actually or constructively received from the sale of the Series 2013 Bonds and accrued interest other than Pre-Issuance Accrued Interest.

“Rebate Fund” means the fund of that name created under Section 4.8 of the Indenture.

“Tax-Exempt Obligation” means any obligation the interest on which is excludable from gross income under section 103(a) of the Code, any interest in a regulated investment company the income of which is at least 95% excludable to the holder under Section 103(a) of the Code, and any certificate of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program, but does not include any interest in a “specified private activity bond” within the meaning of section 57(a)(5)(C) of the Code.

“Transferred Proceeds” means the amount described in Section 1.148-9 of the Regulations.

“Underwriters” means, collectively, Stephens Inc. and Raymond James & Associates, Inc.

“Value” means Value as determined under Section 1.148-4(e) of the Regulations for a Bond and Value determined under Section 1.148-5(d) for an Investment.

“Yield” means, for purposes of determining the Yield on the Series 2013 Bonds, the Yield computed under the Economic Accrual Method using consistently applied compounding intervals of not more than one year. Yield shall be calculated in accordance with the Regulations. A short first compounding interval may be used. Yield is expressed as an annual percentage rate that is calculated to at least four decimal places. Other reasonable, standard financial conventions, such as the 30 days per month/360 days per year convention, may be used in computing Yield but must be consistently applied. The Yield on a fixed yield issue is the discount rate that, when used in computing the present Value as of the issue date of all unconditionally payable payments of principal, interest and fees for qualified guarantees on the issue and amounts reasonably expected to be paid as fees for qualified guarantees on the issue, produces an amount equal to the present Value, using the same discount rate, of the aggregate issue price of bonds of the issue as of the issue date. In the case of obligations purchased or sold at a substantial discount or premium or in the case of variable rate obligations, the Regulations prescribe certain special yield calculation rules. For purposes of determining the Yield on an Investment, the Yield computed under the Economic Accrual Method, using the same compounding interval and financial conventions used to compute the Yield on the Series 2013 Bonds should be used.

“Yield Reduction Payment” means a payment to the United States with respect to an Investment which is treated as a Payment for that Investment that reduces the Yield on that Investment in accordance with Section 1.148-5(c) of the Regulations. Yield Reduction Payments include Rebate Amounts paid to the United States.

Exhibit B to Tax Regulatory Agreement and Arbitrage Certificate

Permitted Contracts

Certain Management Contracts described in Revenue Procedure 97-13.

Pursuant to Rev. Proc. 97-13, a management or other service contract between the Corporation and a Private Person will not result in the related portion of the Facilities being used in the trade or business of that Private Person if the guidelines listed in (1) through (4) below are satisfied:

1. The contract provides for reasonable compensation for services rendered and is not based, in whole or in part, on a share of net profits from the operation of the Facilities. Furthermore, the service provider may not receive an ownership interest in the Facilities. Reimbursement of the service provider for actual and direct expenses paid by the service provider to unrelated parties is not by itself to be treated as compensation. Permitted compensation arrangements include arrangements where:
 - (A) at least 95 percent of the compensation is based on a periodic fixed fee for each annual period during the term (a fee does not fail to qualify as a periodic fixed fee as a result of a one-time incentive award, equal to a single, stated dollar amount, under which compensation automatically increases when a gross revenue or expense target, but not both, is reached), provided, that a contract with this compensation arrangement must have a term not exceeding the lesser of (i) 15 years or (ii) 80 percent of the reasonably expected useful life of the related portion of the Facilities;
 - (B) at least 80 percent of the compensation is based on a periodic fixed fee for each annual period during the term, provided, that a contract with this compensation arrangement must have a term not exceeding the lesser of (i) 10 years or (ii) 80 percent of the reasonably expected useful life of the related portion of the Facilities;
 - (C) (i) at least 50 percent of the compensation is based on a periodic fixed fee, (ii) 100 percent of the compensation is based on a capitation fee, or (iii) 100 percent of the compensation is based on a combination of a capitation fee and a periodic fixed fee, for each annual period during the term, provided, that a contract with this compensation arrangement must have a term not exceeding 5 years and, in addition, the contract must be terminable by the Authority, the Board or Corporation on reasonable notice, without penalty or cause, at the end of the third year of the contract term;
 - (D) all compensation is based on (i) a per-unit fee or (ii) a combination of a per-unit fee and a periodic fixed fee, provided that a contract with this compensation arrangement must have a term not exceeding 3 years and, in addition, the contract must be terminable by the Authority, the Board or Corporation on reasonable notice, without penalty or cause, at the end of the second year of the contract term; or
 - (E) all compensation is based on (i) a percentage of fees charged, or (ii) a combination of a per-unit fee and a percentage of revenue or expense fee, provided, that a contract with this compensation arrangement must have a term not exceeding 2 years and, in addition, the contract must be terminable by the Authority, the Board or Corporation on reasonable notice, without penalty or cause, at the end of the first year of the contract term, and provided further that this compensation arrangement is available only for (i) contracts

where the provider provides services to third parties, and (ii) management contracts for the Facilities during a start-up period where there are insufficient operations to estimate annual gross revenues and expenses.

2. Not more than 20 percent of the voting power of the Authority, the Board or Corporation is vested in the service provider, its directors, officers, shareholders and employees.
3. Overlapping board members of the Authority, the Board or Corporation and the service provider do not include the chief executive officers of the service provider or the Authority, the Board or Corporation or their respective governing bodies.
4. The Authority, the Board or Corporation and the service provider are not Related Parties.

Exhibit C to Tax Regulatory Agreement and Arbitrage Certificate

Fair Market Value

The following describes certain safe harbors that apply for purposes of determining the Fair Market Value of the obligations described below:

1. **Certificates of Deposit.** The purchase of certificates of deposit with fixed interest rates, fixed payment schedules and substantial penalties for early withdrawal will be deemed to be an Investment purchased at its Fair Market Value on the purchase date if the Yield on the certificate of deposit is not less than:
 - (i) The Yield on reasonably comparable direct obligations of the United States; and
 - (ii) The highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

2. **Guaranteed Investments Contracts.** A Guaranteed Investment Contract (“GIC”) is a Nonpurpose Investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, and also includes any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract). The purchase price of a GIC is treated at its Fair Market Value on the purchase date if all of the following conditions are satisfied:
 - (i) A bona fide solicitation in writing for a specified GIC, is timely forwarded to all potential providers. The solicitation must have specified the material terms of the GIC, including the collateral security requirements for the GIC, if any, and, unless the moneys invested pursuant to such investment will be held in a float fund or a debt service reserve fund, the Borrower’s reasonably expected draw-down schedule for the moneys to be invested. The solicitation must also include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the company or any other person (whether or not in connection with the Series 2013 Bonds), and that the bid is not being submitted solely as a courtesy to the Corporation or any other person for purposes of satisfying Treasury Regulations Section 1.148-5(d)(6)(iii)(B)(1) or (2).
 - (ii) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.
 - (iii) At least three reasonably competitive providers (*i.e.*, having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Series 2013 Bonds (*e.g.*, a lead underwriter within 15 days of the Date of Issue or financial advisor with respect to the investment) and at least one of such three bids must be from a

reasonably competitive provider. If the Company or Trustee uses an agent to conduct the bidding, the agent may not bid.

- (iv) The determination of the terms of the GIC takes into account the Company's reasonably expected drawdown schedule for the amounts to be invested.
- (v) The provider of the GIC certifies the administrative costs that it is paying, or expects to pay, to third parties in connection with the GIC and such administrative costs are Qualified Administrative Costs of Investment.
- (vi) The GIC has a Yield at least equal to the highest yielding of the qualifying bids received from the bidders that have no material financial interest in the Series 2013 Bonds. If the GIC is not the highest-yielding of the qualifying bids, the Authority or the Corporation must have significant non-tax reasons, such as creditworthiness of the bidder, for failure to purchase the highest-yielding GIC offered.
- (vii) The Yield on the GIC is no less than the Yield available from the provider thereof at the time such GIC was entered into on reasonably comparative investment contracts offered to other persons, if any, from a source of funds other than gross proceeds of an issue of tax-exempt obligations.
- (viii) The terms of the GIC, including collateral security requirements, are commercially reasonable.
- (ix) The Company retains, or directs the Trustee to retain, until three years after the last outstanding Bond is retired, (i) a copy of the GIC contract, (ii) a receipt or other record of the amount actually paid for the GIC and a copy of the provider's certification described in (vii), (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results.

3. **United States Treasury Securities - State and Local Government Series.** If a United States Treasury obligation is acquired directly from or disposed of directly to the United States Department of the Treasury (as in the case of the United States Treasury Securities - State and Local Government Series ("***SLGS***") obligations), such acquisition or disposition shall be treated as establishing a market for the obligation and as establishing the fair market value of the obligation.

Exhibit D to Tax Regulatory Agreement and Arbitrage Certificate
Contracts Relating To Facilities

None.

Exhibit E to Tax Regulatory Agreement and Arbitrage Certificate

Underwriters' Certificate

ISSUE PRICE CERTIFICATE

November 13, 2013

This certificate is furnished by Stephens Inc. (the “*Representative*”), on its own behalf and on behalf of Raymond James & Associates, Inc. (collectively with the Representative, the “*Underwriters*”) pursuant to that certain Agreement Among Underwriters among Stephens Inc. and Raymond James & Associates, Inc. This Certificate is being executed in connection with the issuance by the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) of \$40,910,000 aggregate principal amount of its Revenue Refunding Bonds (Southeastern Louisiana University Student Housing – University Facilities, Inc.) Series 2013 (the “*Bonds*”). The Representative hereby certifies the following, based upon the information available to it:

On November 5, 2013 (the “*Sale Date*”), the Underwriters made a bona fide offering of the Bonds to the Public (as defined below) at the respective prices (the “*Prices*”) set forth on the Official Statement, dated the Sale Date, with respect to the Bonds. For purposes of this certificate, the “Public” does not include bond houses, brokers, and similar persons acting in the capacity of underwriters or wholesalers. On the Sale Date, the Underwriters sold at least 10% of each maturity of the Bonds to the Public at its respective Price except for the Bonds maturing in years 2019 through 2022 (the “*Unsold Maturities*”). With respect to each of the Unsold Maturities, the Underwriters reasonably expected, on the Sale Date, the first price at which at least 10% of each maturity would be sold to the Public to be its respective Price.

| Maturity | Coupon | Yield | Par Amount | Price | Dollar Price |
|-----------------|---------------|--------------|-------------------|--------------|---------------------|
| 08/01/2014 | 2.000% | 0.600% | \$ 1,985,000 | 100.999% | \$ 2,004,830.15 |
| 08/01/2014 | 3.000% | 0.600% | 700,000 | 101.713% | 711,991.00 |
| 08/01/2015 | 3.000% | 0.870% | 2,750,000 | 103.620% | 2,849,550.00 |
| 08/01/2016 | 4.000% | 1.150% | 2,855,000 | 107.599% | 3,071,951.45 |
| 08/01/2017 | 4.000% | 1.500% | 2,970,000 | 109.002% | 3,237,359.40 |
| 08/01/2018 | 5.000% | 1.900% | 3,105,000 | 113.919% | 3,537,184.95 |
| 08/01/2019 | 5.000% | 2.380% | 3,265,000 | 113.922% | 3,719,553.30 |
| 08/01/2020 | 5.000% | 2.780% | 3,415,000 | 113.512% | 3,876,434.80 |
| 08/01/2021 | 5.000% | 3.140% | 3,585,000 | 112.654% | 4,038,645.90 |
| 08/01/2022 | 5.000% | 3.380% | 3,775,000 | 112.137% | 4,233,171.75 |
| 08/01/2023 | 3.250% | 3.570% | 2,045,000 | 97.388% | 1,991,584.60 |
| 08/01/2023 | 5.000% | 3.570% | 1,890,000 | 111.648% | 2,110,147.20 |
| 08/01/2024 | 3.500% | 3.720% | 305,000 | 98.066% | 299,101.30 |
| 08/01/2024 | 4.500% | 3.720% | 1,500,000 | 106.306% | 1,594,590.00 |
| 08/01/2024 | 5.000% | 3.720% | 2,300,000 | 110.352% | 2,538,096.00 |
| 08/01/2026 | 4.000% | 4.125% | 4,465,000 | 98.767% | 4,409,946.55 |

The Yield on the Bonds, calculated in accordance with Regulations section 1.148-4, is 3.1293%.

The weighted average maturity of the Bonds, calculated in accordance with Code section 147(b)(2) is 6.749 years.

The weighted average maturity of the Prior Bonds, calculated in accordance with Code section 147(b)(2) is 10.331 years.

Any capitalized term that is not defined herein shall have the meaning assigned thereto in the Tax Regulatory Agreement and Arbitrage Certificate (the "*Tax Agreement*") dated November 13, 2013 executed in connection with the issuance of the Bonds by the Issuer, the Board of Supervisors for the University of Louisiana System, the Borrower and The Bank of New York Mellon Trust Company, N.A., as trustee.

The Issuer may rely on the statements made herein in connection with making the representations set forth in the Tax Agreement to which this Certificate is attached and in its efforts to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended (the "*Code*"). Jones Walker LLP, Baton Rouge, Louisiana, may also rely on this Issue Price Certificate for purposes of its opinion regarding the treatment of interest on the Bonds as excludable from gross income for federal income tax purposes. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law. Accordingly, the Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein.

STEPHENS INC.

By:


Toby Cortez, Vice President

Exhibit F to Tax Regulatory Agreement and Arbitrage Certificate

Proof of Arbitrage Yield

LCDA
Revenue Refunding Bonds
SELU Student Housing/Univ Facilities, Inc. Series 2013 Ref 2004A

Proof Of Bond Yield @ 3.1293334%

| Date | Cashflow | PV Factor | Present Value | Cumulative PV |
|--------------|------------------------|------------|------------------------|---------------|
| 11/13/2013 | - | 1.0000000x | - | - |
| 02/01/2014 | 382,673.96 | 0.9932949x | 380,108.08 | 380,108.08 |
| 08/01/2014 | 3,568,093.75 | 0.9779925x | 3,489,569.04 | 3,869,677.12 |
| 02/01/2015 | 852,743.75 | 0.9629259x | 821,129.09 | 4,690,806.20 |
| 08/01/2015 | 3,602,743.75 | 0.9480915x | 3,415,730.65 | 8,106,536.85 |
| 02/01/2016 | 811,493.75 | 0.9334855x | 757,517.68 | 8,864,054.53 |
| 08/01/2016 | 3,666,493.75 | 0.9191046x | 3,369,891.33 | 12,233,945.86 |
| 02/01/2017 | 754,393.75 | 0.9049452x | 682,685.03 | 12,916,630.89 |
| 08/01/2017 | 3,724,393.75 | 0.8910040x | 3,318,449.72 | 16,235,080.61 |
| 02/01/2018 | 694,993.75 | 0.8772775x | 609,702.40 | 16,844,783.01 |
| 08/01/2018 | 3,799,993.75 | 0.8637625x | 3,282,292.19 | 20,127,075.20 |
| 02/01/2019 | 617,368.75 | 0.8504557x | 525,044.79 | 20,652,119.99 |
| 08/01/2019 | 3,882,368.75 | 0.8373539x | 3,250,916.72 | 23,903,036.70 |
| 02/01/2020 | 535,743.75 | 0.8244540x | 441,696.06 | 24,344,732.77 |
| 08/01/2020 | 3,950,743.75 | 0.8117527x | 3,207,027.08 | 27,551,759.85 |
| 02/01/2021 | 450,368.75 | 0.7992472x | 359,955.96 | 27,911,715.81 |
| 08/01/2021 | 4,035,368.75 | 0.7869343x | 3,175,570.05 | 31,087,285.86 |
| 02/01/2022 | 360,743.75 | 0.7748111x | 279,508.25 | 31,366,794.11 |
| 08/01/2022 | 4,135,743.75 | 0.7628746x | 3,155,054.00 | 34,521,848.12 |
| 02/01/2023 | 266,368.75 | 0.7511221x | 200,075.45 | 34,721,923.57 |
| 08/01/2023 | 8,001,368.75 | 0.7395506x | 5,917,416.87 | 40,639,340.44 |
| 02/01/2024 | 94,637.50 | 0.7281573x | 68,910.99 | 40,708,251.43 |
| 08/01/2024 | 399,637.50 | 0.7169396x | 286,515.96 | 40,994,767.39 |
| 02/01/2025 | 89,300.00 | 0.7058947x | 63,036.40 | 41,057,803.79 |
| 08/01/2025 | 4,384,300.00 | 0.6950200x | 3,047,176.09 | 44,104,979.88 |
| 02/01/2026 | 3,400.00 | 0.6843128x | 2,326.66 | 44,107,306.54 |
| 08/01/2026 | 173,400.00 | 0.6737705x | 116,831.81 | 44,224,138.35 |
| Total | \$53,238,880.21 | - | \$44,224,138.35 | - |

Derivation Of Target Amount

| | |
|---------------------------------------|-----------------|
| Par Amount of Bonds..... | \$40,910,000.00 |
| Reoffering Premium or (Discount)..... | 3,314,138.35 |
| Original Issue Proceeds..... | \$44,224,138.35 |

Debt Service Requirements and Proof of Yield on the Bonds Assuming Certain Early Redemptions

Louisiana Local Government Environmental Facilities
and Community Development Authority

| Date | \$36,445,000 Serial Bonds | | \$4,465,000 Term Bonds @ 4.000% due 08-01-2026 | | Debt Service Requirements of the Bonds** | Present Value of Future Payments at 11/13/13 Using a Rate of 3.129333% | |
|----------|------------------------------|----------------|---|-----------------------|---|---|------------------------|
| | Principal | Coupon Rate | Interest | Principal | | | Interest |
| 02/01/14 | | | \$343,977.29 | | \$38,696.67 | \$382,108.08 | |
| 08/01/14 | \$2,685,000.00 | * | 793,793.75 | | 89,300.00 | 3,489,569.04 | |
| 02/01/15 | | | 763,443.75 | | 89,300.00 | 821,129.09 | |
| 08/01/15 | 2,750,000.00 | 3.000% | 763,443.75 | | 89,300.00 | 3,415,730.65 | |
| 02/01/16 | | | 722,193.75 | | 89,300.00 | 757,517.68 | |
| 08/01/16 | 2,855,000.00 | 4.000% | 722,193.75 | | 89,300.00 | 3,369,891.33 | |
| 02/01/17 | | | 665,093.75 | | 89,300.00 | 682,685.03 | |
| 08/01/17 | 2,970,000.00 | 4.000% | 665,093.75 | | 89,300.00 | 3,318,449.72 | |
| 02/01/18 | | | 605,693.75 | | 89,300.00 | 609,702.40 | |
| 08/01/18 | 3,105,000.00 | 5.000% | 605,693.75 | | 89,300.00 | 3,282,292.19 | |
| 02/01/19 | | | 528,068.75 | | 89,300.00 | 525,044.79 | |
| 08/01/19 | 3,265,000.00 | 5.000% | 528,068.75 | | 89,300.00 | 3,250,916.72 | |
| 02/01/20 | | | 446,443.75 | | 89,300.00 | 441,696.06 | |
| 08/01/20 | 3,415,000.00 | 5.000% | 446,443.75 | | 89,300.00 | 3,207,027.08 | |
| 02/01/21 | | | 361,068.75 | | 89,300.00 | 359,955.96 | |
| 08/01/21 | 3,585,000.00 | 5.000% | 361,068.75 | | 89,300.00 | 3,175,570.05 | |
| 02/01/22 | | | 271,443.75 | | 89,300.00 | 279,508.25 | |
| 08/01/22 | 3,775,000.00 | 5.000% | 271,443.75 | | 89,300.00 | 3,155,054.00 | |
| 02/01/23 | | | 177,068.75 | | 89,300.00 | 200,075.45 | |
| 08/01/23 | 7,735,000.00 | * | 177,068.75 | | 89,300.00 | 5,917,416.87 | |
| 02/01/24 | | | 5,337.50 | | 89,300.00 | 68,910.99 | |
| 08/01/24 | 305,000.00 | 3.500% | 5,337.50 | | 89,300.00 | 286,515.96 | |
| 02/01/25 | | | | | 89,300.00 | 63,036.40 | |
| 08/01/25 | | | | \$4,295,000.00 | 89,300.00 | 3,047,176.09 | |
| 02/01/26 | | | | | 3,400.00 | 2,326.66 | |
| 08/01/26 | | | | 170,000.00 | 3,400.00 | 116,831.81 | |
| | <u>\$36,445,000.00</u> | | <u>\$10,229,483.54</u> | <u>\$4,465,000.00</u> | <u>\$2,099,396.67</u> | <u>\$53,238,880.21</u> | <u>\$44,224,138.35</u> |
| | | | | | | | |
| | | | | | Principal Amount of the Bonds | \$40,910,000.00 | |
| | | | | | Net Original Issue Premium | 3,314,138.35 | |
| | | | | | | <u>\$44,224,138.35</u> | |

* Coupon rates are as shown in the Computation of Net Original Issue Premium (Exhibit G).

** Assumes certain Bonds maturing August 1, 2024 are redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%; more fully described in Exhibit G.

Computation of Net Original Issue Premium

Louisiana Local Government Environmental Facilities and Community Development Authority

| <u>Date</u> | <u>Principal</u> | <u>Coupon Rate</u> | <u>Yield</u> | <u>Price</u> | <u>Purchase Price</u> | <u>Accrued Interest</u> | <u>Original Issue Premium/(Discount)</u> |
|-------------|------------------------|------------------------|--------------|--------------|---------------------------|-----------------------------|--|
| 08/01/14 | \$1,985,000.00 | 2.000% | 0.600% | 100.999% | \$2,004,830.15 | \$0.00 | \$19,830.15 |
| 08/01/14 | 700,000.00 | 3.000% | 0.600% | 101.713% | 711,991.00 | 0.00 | 11,991.00 |
| 08/01/15 | 2,750,000.00 | 3.000% | 0.870% | 103.620% | 2,849,550.00 | 0.00 | 99,550.00 |
| 08/01/16 | 2,855,000.00 | 4.000% | 1.150% | 107.599% | 3,071,951.45 | 0.00 | 216,951.45 |
| 08/01/17 | 2,970,000.00 | 4.000% | 1.500% | 109.002% | 3,237,359.40 | 0.00 | 267,359.40 |
| 08/01/18 | 3,105,000.00 | 5.000% | 1.900% | 113.919% | 3,537,184.95 | 0.00 | 432,184.95 |
| 08/01/19 | 3,265,000.00 | 5.000% | 2.380% | 113.922% | 3,719,553.30 | 0.00 | 454,553.30 |
| 08/01/20 | 3,415,000.00 | 5.000% | 2.780% | 113.512% | 3,876,434.80 | 0.00 | 461,434.80 |
| 08/01/21 | 3,585,000.00 | 5.000% | 3.140% | 112.654% | 4,038,645.90 | 0.00 | 453,645.90 |
| 08/01/22 | 3,775,000.00 | 5.000% | 3.380% | 112.137% | 4,233,171.75 | 0.00 | 458,171.75 |
| 08/01/23 | 2,045,000.00 | 3.250% | 3.570% | 97.388% | 1,991,584.60 | 0.00 | (53,415.40) |
| 08/01/23 | 1,890,000.00 | 5.000% | 3.570% | 111.648% | 2,110,147.20 | 0.00 | 220,147.20 |
| 08/01/24 | 305,000.00 | 3.500% | 3.720% | 98.066% | 299,101.30 | 0.00 | (5,898.70) |
| 08/01/24 | 1,500,000.00 | 4.500% | 3.720%* | 106.306% | 1,594,590.00 | 0.00 | 94,590.00 |
| 08/01/24 | 2,300,000.00 | 5.000% | 3.720%* | 110.352% | 2,538,096.00 | 0.00 | 238,096.00 |
| 08/01/26 | 4,465,000.00 | 4.000% | 4.125% | 98.767% | 4,409,946.55 | 0.00 | (55,053.45) |
| | <u>\$40,910,000.00</u> | | | | <u>\$44,224,138.35</u> | <u>\$0.00</u> | <u>\$3,314,138.35</u> |

* Yields are calculated to early redemption dates and for purposes of calculating the yield on the Bonds, these Bonds are treated as redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%.

Exhibit G to Tax Regulatory Agreement and Arbitrage Certificate

IRS Determination Letter of Corporation

RECEIVED MAR 15 1999
DEPARTMENT OF THE TREASURY

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 2508
CINCINNATI, OH 45201

Date: MAR 10 1993

UNIVERSITY FACILITIES INC
C/O NICK BRUNO
SLU BOX 746
HAMMOND, LA 70402-0746

Employer Identification Number:
72-1417328
DLN:
17053303017048
Contact Person:
D. A. DOWNING IDN 31505
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
JUNE 30
Form 990 Required:
YES
Addendum Applies:
YES

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(iv).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. Additionally, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

UNIVERSITY FACILITIES INC

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so be sure your return is complete before you file it.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, any supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$20 per day for each day there is a failure to comply (up to a maximum of \$10,000 in the case of an annual return).

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

UNIVERSITY FACILITIES INC

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

As part of a continuing program, we periodically examine the operations of tax-exempt organizations. The purpose of this program is to determine whether the organizations are operating within the scope of the laws under which they are granted exemption. Therefore, you should keep information that would show that you are operating for section 501(c)(3) purposes. The information should include the training given to the child care providers, number of inspections, reports submitted to the state, and other pertinent information about your activities. You should also keep records of your income and your disbursements of funds.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

If you are a wholly-owned instrumentality of a state or a political subdivision of a state, wages paid for services performed for you are not subject to unemployment taxes under the Federal Unemployment Tax Act (FUTA) or to any portion of the social security taxes under the Federal Insurance Contributions Act (FICA). Wages of your employees hired after March 31, 1986 are subject to only the medicare portion of the social security tax. If you want full social security coverage for your employees, it may be obtained only by an agreement under section 218 of the Social Security Act between the state and the Secretary of Health and Human Services.

Any questions you may have concerning your liability for FICA or FUTA taxes should be addressed to the Internal Revenue Service, Office of the Associate Chief Counsel (Employee Benefits and Exempt Organizations), CC:EBOE, Room 5213, P. O. Box 7604, Ben Franklin Station, Washington, D.C. 200044.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

UNIVERSITY FACILITIES INC

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

District Director

Enclosure(s):
Addendum

UNIVERSITY FACILITIES INC

If your organization conducts fund-raising events such as benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Charities Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your local IRS Office. Guidelines for deductible amounts are also set forth in Revenue Ruling 67-246, 1967-2 C.B. 104 and Revenue Procedure 90-12, 1990-1 C.B. 471 and Revenue Procedure 92-49, 1992-26 I.R.B. 18.

The value of time or personal services contributed to your organization by volunteers is not deductible by those volunteers as a charitable contribution for Federal income tax purposes. You should advise your volunteers to this effect.

Guidelines under which private foundations may rely on this determination, for gifts, grants, and contributions made after March 13, 1989, were liberalized and published in Rev. Proc. 89-23, Cumulative Bulletin 1989-1, page B44.

Exhibit H to Tax Regulatory Agreement and Arbitrage Certificate
Post Issuance Tax-Exempt Debt Compliance Policies

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY**

On motion of Austin and seconded by Dufreche, the following resolution was adopted:

RESOLUTION

**A RESOLUTION ADOPTING POST ISSUANCE TAX EXEMPT
DEBT COMPLIANCE POLICIES**

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer"), a conduit issuer created for the benefit of political subdivisions of the State of Louisiana and non-profit corporations, with responsibility for monitoring its outstanding tax exempt debt to insure interest borne by such debt continues to be exempt from federal income tax; and

WHEREAS, the Issuer desires to designate a compliance officer responsible for insuring the Issuer's compliance with federal Income Tax Regulations, and to establish written policy and procedures for monitoring such compliance;

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee of the Board of Directors of the Louisiana Local Government Environmental Facilities and Community Development Authority, acting as the governing authority for said Authority, that:

SECTION 1. Post Issuance Tax-Exempt Debt Compliance Policies in substantially the form attached hereto as **Exhibit A**, are hereby adopted, effective immediately, and shall be included as part of the written Policies and Procedures of the Issuer.

SECTION 2. The Authority hereby designates the Executive Director as its compliance officer responsible for insuring the Issuer's compliance with these Post Issuance Tax-Exempt Debt Compliance Policies.

SECTION 3. This Resolution shall become effective immediately upon its adoption.

This Resolution having been submitted to a vote, the vote thereon was as follows:

| <u>Executive Committee Member</u> | <u>Yea</u> | <u>Nay</u> | <u>Absent</u> | <u>Abstaining</u> |
|---|---------------|---------------|---------------|-------------------|
| William A. Lazaro, Jr., Chairman | <u> x </u> | <u> </u> | <u> </u> | <u> </u> |
| Mr. Lynn Austin, Vice Chairman | <u> x </u> | <u> </u> | <u> </u> | <u> </u> |
| Mayor Billy D'Aquila, Secretary/Treasurer | <u> x </u> | <u> </u> | <u> </u> | <u> </u> |
| Mary Sue Adams | <u> </u> | <u> </u> | <u> x </u> | <u> </u> |
| Mr. Julian Dufreche | <u> x </u> | <u> </u> | <u> </u> | <u> </u> |
| Mack Dellafosse | <u> x </u> | <u> </u> | <u> </u> | <u> </u> |
| Mayor David Camardelle | <u> x </u> | <u> </u> | <u> </u> | <u> </u> |

This Resolution was declared adopted on this 8th day of August, 2013.

(Other business not pertinent to the foregoing resolution may be found in the official minutes of the Executive Committee of the Authority.)

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

 /s/ Steve A. Dicharry
STEVE A. DICHARRY, Executive Director

ATTEST:

 /s/ Linda U. Martin
LINDA U. MARTIN, Assistant Secretary

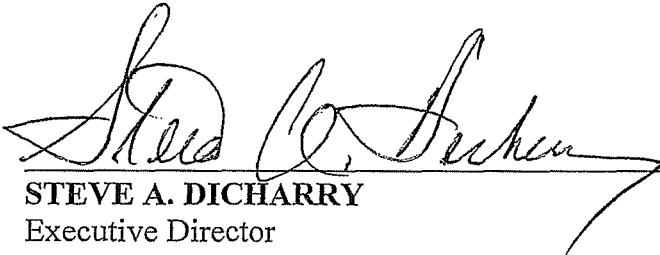
STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Executive Director of the Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that the foregoing constitutes a true and correct copy of an excerpt of the proceedings taken by the Executive Committee of the Board of Directors of the Authority on August 8, 2013, adopting Post Issuance Tax Exempt Debt Compliance Policies of the Authority, as said Resolution appears officially of record in my possession.

I further certify that this resolution has not been amended or rescinded.

IN FAITH WHEREOF, witness my official signature on this 8th day of August, 2013.



STEVE A. DICHARRY
Executive Director

[SEAL]

Exhibit A

POST ISSUANCE TAX-EXEMPT DEBT COMPLIANCE POLICIES

Effective Date: August 8, 2013

OVERVIEW

The purpose of these Post Issuance Tax-Exempt Debt Compliance Policies (“Policies”) is to ensure tax-exempt bond and other financings previously issued and undertaken by the Louisiana Local Government Environmental Facilities and Community Development Authority, State of Louisiana (“ISSUER”) remain in compliance with the following federal tax requirements:

- (a) Record retention
- (b) Arbitrage yield restriction and rebate
- (c) Proper and timely use of bond proceeds and bond-financed properties
- (d) Timely return filings
- (e) Corrective actions
- (f) Other general requirements

These Policies apply to any obligations to which Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, and any Treasury Regulations promulgated thereunder (together, as applicable, the “Code”) apply, whether or not such obligations are in fact tax-exempt. These Policies will be followed with respect to any issue of tax-credit bonds or taxable bonds to which such sections of the Code apply. Further, the conduit borrowers which utilize the conduit services of the ISSUER are responsible for compliance with any requirements set forth in the Code and subsequent rulings and other advice published by the Internal Revenue Service (the “IRS”), as such authorities apply to the ISSUER and its obligations.

There are different types of obligations which may evidence a tax-exempt loan including but not limited to bonds, notes, obligations, warrants, leases, certificates of indebtedness and certificates of participation. For purposes of these Policies, the terms tax-exempt bond or bonds shall include all debt instruments which bear interest exempt from federal income tax, including any leases bearing tax exempt interest (“Bond”).

I. RESPONSIBILITY

The Executive Committee of the ISSUER, a conduit issuer created for the benefit of political subdivisions of the State of Louisiana (“State”), non-profit corporations and other public and private beneficiaries (collectively a “Borrower”), recognizes and understands the importance of monitoring outstanding tax-exempt debt to insure interest borne by such debt continues to meet the requirements set forth in the Code. While the ISSUER designates its Executive Director as

its compliance officer responsible for insuring the ISSUER'S compliance with these Policies ("COMPLIANCE OFFICER"), the ISSUER expects principals of the Borrower to bear responsibility for post issuance tax-exempt compliance.

The COMPLIANCE OFFICER shall require parties employed by the Borrower responsible for financial aspects of its operations and its Bond financed facilities to coordinate with the ISSUER to ensure any actions taken with respect to a Bond financed facility will be in compliance with the Code's requirements and IRS rulings.

The COMPLIANCE OFFICER will undertake appropriate periodic action to ensure an appropriate staff person is qualified and remains qualified to fulfill duties described herein. The COMPLIANCE OFFICER may retain professional consultants to perform specific tasks required to maintain appropriate compliance, including maintenance of files and records. The COMPLIANCE OFFICER shall ensure that a copy of these Policies will be disseminated to each Borrower of a Bond issued after the effective date of these Policies.

The ISSUER reserves the right to invoice the Borrower for any and all costs, fees, expenses and other charges of any nature which the ISSUER may be called upon to pay as a result of the ISSUER'S acting as a conduit borrower on behalf of the Borrower.

II. RECORD RETENTION

A. General Policy. General record retention duties are the responsibility of the Borrower. The Borrower shall maintain on file a copy of the following records at all times:

- (i) Organizational documents, if applicable (articles of incorporation or certificate of formation, bylaws and any amendments to same)
- (ii) Audited financial statements
- (iii) Reports of any examinations by the IRS of the ISSUER or its tax-exempt financing(s) for the Borrower
- (iv) 501(c)(3) determination letter (if applicable)

Additionally, the Borrower shall also retain the following for the life of the Bonds plus three (3) years:

- (i) Documentation of allocations of investments of Bond proceeds and calculations of investment earnings
- (ii) Documentation of investment of Bond proceeds related to:
 - (a) Investment contracts (ex., guaranteed investment contracts)
 - (b) Credit enhancement transactions (ex., Bond insurance)
 - (c) Financial derivatives (ex., swaps, caps, etc.)
 - (d) Bidding of financial products
- (iii) Documentation regarding arbitrage compliance, including:
 - (a) Computation of bond yield
 - (b) Computation of rebate and yield reduction payments

- (c) Form 8038-T, *Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate*
- (d) Form 8038-R, *Request for Recovery of Overpayments Under Arbitrage Rebate Provisions*

The ISSUER shall maintain a copy of the transcript relating to each and every outstanding issue of an ISSUER'S Bond, provided to it by bond counsel in accordance with requirements of State law, and each of the ISSUER'S Tax Certificates, until three years after the last outstanding Bond has been retired. If any Bond is refunded by another ISSUER Bond ("Refunding Obligations"), the ISSUER shall maintain all records required to be retained until the later of three years after the last outstanding Bond has been retired or the date three years after the last Refunding Obligations have been retired.

B. Bond Transcripts and Record Retention. The ISSUER and each bond counsel employed for issuance of a Bond shall consult with the COMPLIANCE OFFICER to insure a copy of each transcript for every Bond is maintained at the ISSUER'S official office or an approved secure and insured storage facility. The COMPLIANCE OFFICER shall maintain written records pertaining to (a) the date and amount of each Bond issuance, (b) the physical location of each Bond transcript, (c) the type and nature of each Bond issuance and (d) the identity of the participants in each Bond issuance.

Each Bond transcript should contain the following:

- (i) Minutes and resolution(s) authorizing the issue
- (ii) Certifications of issue price
- (iii) Any formal elections (ex., election to employ an accounting methodology other than specific tracing)
- (iv) Any agreement listed in "Private Business Use" (described below) which relates to a Bond-financed facility

Additionally, each Borrower shall maintain the following for life of the Bonds plus three (3) years:

- (i) Appraisals, demand surveys, and/or feasibility studies for Bond-financed property
- (ii) Bond Trustee or bank statements regarding investment and expenditure of Bond funds
- (iii) Government grant documentation related to construction, renovation, or purchase of Bond-financed facilities
- (iv) Fund raising campaign literature, and records of pledges and funds donated for the Bond-financed property.

C. Form of Long Term Retention. ISSUER transcripts described in these Policies shall be maintained in paper form. After the later of six years from Bond issuance or expenditure of all proceeds of a particular Bond, the ISSUER may scan its written records into digital format and so long as the ISSUER maintains no fewer than two digital copies of such records and ISSUER'S counsel maintains at least one digital copy, the written records may be destroyed or summarized.

D. Separate Bank Account. The Code sets forth many provisions related to investment and expenditure of Bond proceeds. The Borrower shall establish a separate bank account or trust fund for Bond proceeds and maintain records for such account showing:

- (i) All expenditures on Bond-financed property
- (ii) All investments of Bond proceeds

E. Investments and Arbitrage Compliance. The Code sets forth restrictions if Bond proceeds are invested at yields materially higher than yield on the Bonds. The ISSUER does not invest Bond proceeds. The Borrower is responsible for investment and monitoring of Bond proceeds, to ensure compliance with yield restrictions of Code Section 148(a) and rebate requirements of Code Section 148(f). The Borrower shall monitor compliance with rebate and yield restriction rules on an annual basis. Monitoring includes, but is not limited to, the following:

- (i) Tracking allocation of Bond proceeds to expenditures for compliance with any temporary period and spending exceptions, no less frequently than annually
- (ii) Ensuring timely filing of IRS forms related to arbitrage or rebate payments
- (iii) Ensuring use of "fair market value" with respect to purchase and sale of investments

III. PERIODIC REVIEW

A. Private Use. The COMPLIANCE OFFICER recognizes there are detailed rules relating to private use of facilities financed with Bond proceeds. Accordingly, the COMPLIANCE OFFICER will recommend that each Borrower consult with bond counsel prior to entering into any new contract or renewing any existing contract which provides for a person or organization to manage, operate, or provide services or products with respect to or as part of any part of all or any portion of Bond financed facilities. Each non-profit Borrower will be cautioned to consult with bond counsel prior to allowing any facilities financed with Bond proceeds to be used for purposes which constitute an unrelated business use for income tax purposes.

B. Expenditures and Assets. The Borrower is responsible for oversight of expenditure of Bond proceeds, including monitoring whether such expenditures are made timely for purposes for which the Bonds were issued. Each Borrower will ensure all Bond proceeds are expended according the Code's requirements. Each Borrower shall retain the following for life of the Bonds plus three (3) years:

- (i) Documentation of allocations of Bond proceeds to expenditures (ex., allocation of Bond proceeds for expenditures for construction, renovation or purchase of facilities)
- (ii) Documentation of allocation of Bond proceeds to Bond issuance costs
- (iii) Copies of all requisitions, draw schedules, draw requests, invoices, bills and cancelled checks related to Bond proceeds spent during construction
- (iv) Copies of all contracts entered into for construction, renovation or purchase of Bond financed facilities
- (v) Records of expenditure reimbursements incurred prior to Bond issuance
- (vi) Schedule of all Bond financed facilities or equipment
- (vii) Depreciation schedules for Bond financed depreciable property
- (viii) Documentation of any purchase or sale of Bond financed assets

C. Disposition. Even though each Borrower may not expect to dispose of its Bond financed facilities, the COMPLIANCE OFFICER recognizes in the event any portion of such facilities are sold, assigned, or transferred in any transaction, such disposition may give rise to issues concerning proper use of any disposition proceeds for arbitrage purposes as well as potential issues concerning private use if not transferred for fair value. Accordingly, each Borrower, by receipt of a copy of these Policies, shall be cautioned that prior to any such sale, assignment or transfer to consult with bond counsel.

D. Compliance Matters. To the extent a post issuance review raises any concern regarding a possible tax compliance issue, the COMPLIANCE OFFICER and the affected Borrower, will immediately consult with bond counsel to determine the appropriate course of conduct, including without limitation, the possibility of remedial action pursuant to applicable Income Tax Regulations, or participation in the voluntary closing agreement program established by the Internal Revenue Service.

IV. REBATE

A. Rebate Analyst. The ISSUER shall cause the Borrower of each Bond, when required by Income Tax Regulations, to retain a rebate analyst for Bonds issued after the effective date of these Policies. In addition to preparing all yield and rebate calculations, the Borrower's rebate analyst shall calendar all computation dates and obtain from the Borrower all necessary records prior to the report dates. The rebate analyst shall complete either an annual or a five year calculation of the Rebate Requirement within 50 days after the close of each bond year and within 50 days after the first date on which there are no outstanding Bonds of the particular bond issue. The Borrower shall consult bond counsel concerning the appropriate analysis and treatment of Bond debt issued prior to the effective date of these Policies.

B. Rebate Payment. The ISSUER shall cause each Borrower to agree to take steps to ensure that it has retained sufficient funds to pay timely, and timely pay all rebates required.

V. PROJECT SPENDING STATUS REPORT

To ensure Bond proceeds are being spent and projects are completed in a timely fashion in compliance with the Tax Certificates related to the applicable Bond, no later than 30 days after the end of each bond year of each Bond, each Borrower should receive from its engineer or financial officer a brief written report detailing the status of projects, the projected use of unspent bond proceeds of each Bond and an estimate of the amount and timing of each future anticipated disbursement of Bond proceeds on a project by project basis. If requested, the Borrower shall provide the report to the COMPLIANCE OFFICER who may require further action, such as contacting tax counsel for advice on any further action under the Code.

The Borrower is responsible for timely expenditure of bond proceeds and monitoring to ensure expenditures are made for the purposes for which the Bonds were issued in accordance with the Code.

VI. CORRECTIVE ACTION

Corrective action may be required if, for example, it is determined Bond proceeds were not properly expended, a Borrower is not in compliance with arbitrage requirements imposed by the Code or a Borrower has taken action that results in impermissible private business use or entering a management contract with a private company for that facility. If the Borrower is advised that corrective action is necessary with respect to Bond financed facilities, the ISSUER will cooperate with the Borrower in a timely manner to:

- (i) Seek to enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program described in Notice 2001-60 (or successor thereto)
- (ii) Take remedial action described in Section 1.141-12 of the Code
- (iii) Take such other action as recommended by bond counsel

VI. POLICIES AVAILABILITY

These Policies may be obtained from the ISSUER by contacting it at 8712 Jefferson Highway, Suite A, Baton Rouge, Louisiana 70809-2233, telephone (225) 924-6150.

Adopted by:

Louisiana Local Government
Environmental Facilities and
Community Development Authority,
State of Louisiana

By: _____

William A. Lazaro, Jr.
Chairman, Executive Committee

ESCROW DEPOSIT AGREEMENT

This ESCROW DEPOSIT AGREEMENT (this “*Escrow Agreement*”), dated as of November 1, 2013 by and between the LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (the “*Issuer*”), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., Baton Rouge, Louisiana, a national banking association, duly authorized to exercise corporate trust powers in the State of Louisiana, as escrow agent (the “*Escrow Agent*”):

WITNESSETH:

WHEREAS, the Issuer has heretofore duly authorized and issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*” and, together with the Series 2004A Bonds, the “*Series 2004 Bonds*”) on behalf of University Facilities Inc., a Louisiana non-profit corporation (the “*Corporation*”), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University;

WHEREAS, the Issuer has found and determined that refunding the Series 2004A Bonds (the “*Refunded Bonds*”) would be advantageous to the Issuer;

WHEREAS, the Issuer has issued its \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2013 (the “*Series 2013 Bonds*”) for the purpose, among others, of advance refunding the Refunded Bonds, pursuant to a Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”), as supplemented by a First Supplemental Trust Indenture dated as of November 1, 2013 (the “*Supplemental Indenture*” and, together with the Original Indenture, the “*Indenture*”) each by and between the Issuer and the Escrow Agent, as trustee; and

WHEREAS, the Supplemental Indenture provides that a portion of the proceeds from the sale of the Series 2013 Bonds, together with other available funds of the Issuer as described herein, shall be placed in escrow with the Escrow Agent and, together with the interest earned from the investment thereof, will be sufficient to pay the principal of and interest on the Refunded Bonds on their respective maturity or redemption dates.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and in order to provide for the aforesaid refunding, the parties hereto agree as follows:

SECTION 1. Establishment of Escrow Fund. There is hereby created and established with the Escrow Agent, a special and irrevocable Escrow Fund designated “Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013

Escrow Fund” (the “*Series 2013 Escrow Fund*” or the “*Escrow Fund*”) to be held in the custody of the Escrow Agent separate and apart from other funds of the Issuer and the Escrow Agent. Receipt of a true and correct copy of the Indenture is hereby acknowledged by the Escrow Agent, and reference herein to or citation herein of any provision of said Indenture shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if fully set forth herein. Capitalized terms used herein and not otherwise defined shall have the meaning given such terms by the Indenture.

SECTION 2. Deposits to Escrow Fund; Application of Moneys.

(a) As of the Closing Date, the Issuer has caused to be deposited in the Series 2013 Escrow Fund and the Escrow Agent hereby acknowledges receipt of the sum of \$54,700,058.18 consisting of the proceeds of the Series 2013 Bonds, transfers from the prior bonds debt service fund, debt service reserve fund, and the project fund, and a cash contribution from the University. The funds on deposit in the Series 2013 Escrow Fund shall be applied to the payment of interest due on the Refunded Bonds on August 1, 2014 (the “*Redemption Date*”).

(b) Concurrently with such deposit, the Escrow Agent shall apply the moneys described above to the purchase of the obligations described in the verification report and opinion of The Arbitrage Group, Inc. attached thereto, prepared by The Arbitrage Group, Inc. (the “*Verification Agent*”), dated November 13, which is attached as Exhibit A hereto (the “*Verification Report*”). The obligations listed in the Verification Report and any other direct obligations of the United States of America are hereinafter referred to as the “*Government Obligations*”. All documents evidencing the book entries of the Government Obligations (together with the reinvestment obligation described in Section 5 below) shall be held by the Escrow Agent and appropriate evidence thereof shall be furnished by the Escrow Agent to the Issuer. As shown in Exhibit B to the Verification Report, the Government Obligations (together with the reinvestment obligation described in Section 5 below) shall mature in principal amounts and pay interest in such amounts and at such times so that sufficient moneys will be available from such Government Obligations (together with other moneys on deposit in the Escrow Fund) to pay, as the same are due, the principal of and interest on the Refunded Bonds. The Issuer, on the basis of the mathematical verification of the Verification Agent has heretofore found and determined that the investments described in said Verification Report (together with the reinvestment obligation described in Section 5 below) are adequate in yield and maturity date in order to provide the necessary moneys for such purposes.

(c) In the event that, on the date of purchase of the Government Obligations, there is not delivered to the Escrow Agent any Government Obligation described in the Verification Report, the Escrow Agent shall accept delivery of cash and/or replacement obligations that are direct, non-callable obligations of the United States of America (collectively, “*Replacement Obligations*”) described in paragraph (d) of this Section, in lieu thereof, and shall hold such Replacement Obligations in the Escrow Fund until the Government Obligations described in the Verification Report that were not delivered on the date of delivery of the Series 2013 Bonds are available for delivery. The Escrow Agent shall return to the supplier thereof any Replacement Obligations in exchange for and upon receipt of the Government Obligations for which such Replacement Obligations described in such paragraph (d) were substituted. The Escrow Agent shall have no power or duty to invest any moneys held in the Escrow Fund or to make substitutions of the Government Obligations held in the Escrow Fund or to hereafter sell, transfer or otherwise dispose of such Government Obligations, except pursuant to the following subparagraph (d).

(d) Except as provided in Section 5, an obligation shall qualify as a Replacement Obligation or other permitted substitution obligation only if:

(i) such Replacement Obligation is in an amount, and/or matures in an amount (including any interest received thereon), which together with any cash or other Replacement Obligations substituted for the Government Obligations, is equal to or greater than the amount payable on the maturity date of the Escrow Obligation for which the substitution occurred;

(ii) such Replacement Obligation matures on or before the next date on which the Government Obligations that are substituted for will be required for payment of principal of or interest on the Refunded Bonds; and

(iii) the Escrow Agent shall have been provided with (A) a mathematical verification of the Verification Agent or of a firm of nationally recognized independent certified public accountants that the Replacement Obligations are sufficient to pay the principal of and interest on the Refunded Bonds as shown on Exhibit C-2 to the Verification Report and (B) an opinion of nationally recognized bond counsel to the effect that the substitution is permitted hereunder and has no adverse effect on the exclusion from gross income for federal income tax purposes of interest on the Series 2013 Bonds or the Refunded Bonds.

(e) To the extent that the Government Obligations mature before the payment dates referred to in Exhibit C-2 of the Verification Report, the Escrow Agent may invest for the benefit of the Issuer such cash in other Government Obligations provided that the investment in such other Government Obligations matures on or before dates pursuant to Section 6 in such amounts as to equal or exceed the Section 6 requirements and that such investment does not cause the Series 2013 Bonds or the Refunded Bonds to be “arbitrage bonds” under the Internal Revenue Code of 1986, as amended.

(f) The Escrow Agent shall collect and receive the interest accruing and payable on the Government Obligations and the maturing principal amounts of the Government Obligations as the same are paid and credit the same to the Escrow Fund, so that the interest on and the principal of the Government Obligations, as such are paid, will be available to make the payments required pursuant to Section 6 hereof.

(g) In the event there is a deficiency in the Escrow Fund, the Escrow Agent shall notify the Issuer of such deficiency, and the Issuer shall immediately remedy such deficiency by paying to the Escrow Agent the amount of such deficiency. The Escrow Agent shall not be liable for any such deficiency, except as may be caused by the Escrow Agent’s negligence or willful misconduct.

(h) In any case where the Escrow Agent is instructed to purchase SLGS, the Escrow Agent shall, by at least seven (7) days) or such different time as may hereafter be established by regulations of the United States Bureau of Public Debt) prior to such date, execute and file with a Federal Reserve Bank or Branch a subscription for the purchase and issue of such SLGS with such terms as may be required to effect such purchase on such date.

SECTION 3. Reserved.

SECTION 4. Deposit to Escrow Fund Irrevocable. The deposit of the moneys in the Escrow Fund shall constitute an irrevocable deposit of said moneys exclusively for the benefit of the owners of the Refunded Bonds and such moneys and Government Obligations, together with any income or interest earned thereon, shall be held in escrow and shall be applied solely to the payment of the principal of and interest on the Refunded Bonds as the same mature and become due or are redeemed. Subject to the requirements set forth herein for the use of the Escrow Fund and the moneys and investments therein, the

Issuer covenants and agrees that the Escrow Agent shall have full and complete control and authority over and with respect to the Escrow Fund and moneys and investments therein and the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

SECTION 5. Use of Moneys.

(a) The Escrow Agent shall apply the moneys deposited in the Escrow Fund and the Government Obligations, together with any income or interest earned thereon, in accordance with the provisions hereof. The Escrow Agent shall have no power or duty to invest any moneys held hereunder, or to make substitutions of the Government Obligations held hereunder or to sell, transfer or otherwise dispose of the Government Obligations acquired hereunder, except as provided in 2(d) above.

(b) The liability of the Escrow Agent for the payment of the amounts to be paid hereunder shall be limited to the principal of and interest on the Government Obligations and cash available for such purposes in the Escrow Fund. Any amounts held as cash in the Escrow Fund shall be held in cash without any investment thereof, not as a deposit with any bank, savings and loan or other depository.

(c) The amounts released under the Indenture and deposited in the Escrow Fund will be deemed allocated to the earliest maturing investments in the Escrow Fund and will be deemed allocated to pay the first debt service payment on the Refunded Bonds paid from the Escrow Fund.

SECTION 6. Payment of Refunded Bonds. The Escrow Agent shall receive the matured principal of and the interest on the Government Obligations as the same are payable. On or before the first optional redemption date of the Refunded Bonds after the issuance of the Series 2013 Bonds, the Escrow Agent shall transmit to the Trustee under the Indenture, in immediately available funds, sufficient amounts for the payment of the principal and interest on the Refunded Bonds as it becomes due or upon redemption on said date.

SECTION 7. Notice of Defeasance. The Escrow Agent, as trustee under the Indenture, has received instructions from the Issuer to redeem the Refunded Bonds on the Redemption Date in substantially the form attached as Exhibit B hereto. The Trustee will cause the notice of defeasance in the form attached hereto as Exhibit A to be mailed to the registered owners of the Refunded Bonds. The Trustee will also cause the notice of redemption in the form attached hereto as Exhibit C to be mailed to the registered owners of the Refunded Bonds at least thirty (30) days prior to the Redemption Date for the Refunded Bonds.

SECTION 8. Remaining Moneys in Escrow Fund. Upon the retirement of the Refunded Bonds, any amounts remaining in the Escrow Fund shall be paid to the Board, on behalf of the University, as its property free and clear of the trust created by the Indenture and this Agreement.

SECTION 9. Rights of Owners of Prior Bonds. The escrow created hereby shall be irrevocable and the owners of the Refunded Bonds shall have a beneficial interest and a first, prior and paramount claim on all moneys and Government Obligations in the Escrow Fund until paid out, used and applied in accordance with this Agreement.

SECTION 10. Fees of Escrow Agent.

(a) In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer has paid to the Escrow Agent its reasonable fees and expenses, and the Escrow Agent hereby acknowledges (i) receipt of such payment and (ii) that it shall have no lien whatsoever upon any moneys in the Escrow Fund. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section 10. The Issuer hereby agrees to pay, or cause to be paid, any other fees and expenses which may be owed to the Escrow Agent from moneys other than those in the Escrow Fund.

(b) The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys and securities deposited therein, the purchase of those Government Obligations, the retention of the Government Obligations or the proceeds thereof or any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any act, omission or error of the Escrow Agent made in good faith and without negligence in the conduct of its duties.

SECTION 11. Records and Reports. The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Government Obligations deposited to the Escrow Fund and all proceeds thereof. With respect to each investment of the proceeds of Government Obligations, the Escrow Agent shall record, to the extent applicable, the purchase price of such investment, its fair market value, its coupon rate, its yield to maturity, the frequency of its interest payment, its disposition price, the accrued interest due on its disposition date and its disposition date. Such books shall be available for inspection at reasonable hours and under reasonable conditions by the Issuer and the owners of the Series 2013 Bonds and the Refunded Bonds. The Escrow Agent shall deliver to the Issuer within thirty (30) days after each interest payment date on the Series 2013 Bonds (*i.e.*, Each March 1 and September 1) of each year, a report of each transaction relating to the Escrow Fund.

SECTION 12. Successor Escrow Agents.

(a) If at any time the Escrow Agent or its legal successor or successors should become unable, through operation of law or otherwise, to act as Escrow Agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the Issuer, by appropriate order, shall promptly appoint an Escrow Agent to fill such vacancy.

(b) Any successor Escrow Agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties. The Escrow Agent shall pay over to its successor Escrow Agent a proportional part of the Escrow Agent's fee hereunder.

(c) The Escrow Agent may be removed at any time by an instrument or concurrent instrument in writing delivered to the Escrow Agent by the Issuer.

SECTION 13. Amendments. This Agreement may be amended with the consent of the Issuer and the Escrow Agent: (a) to correct ambiguities, (b) to strengthen any provision hereof which is for the benefit of the owners of the Refunded Bonds or the Series 2013 Bonds or (c) to sever any provision hereof which is deemed to be illegal or unenforceable; provided that this Agreement shall not be amended unless the holders of all of the Refunded Bonds consent to such amendment, and provided further that this Agreement shall not be amended unless the Issuer shall deliver an opinion of nationally recognized bond counsel, that such amendments will not cause the Prior Bonds to be “arbitrage bonds”.

SECTION 14. Enforcement. The Issuer, the trustee for the Refunded Bonds and the owners of the Refunded Bonds shall have the right to take all actions available under law or equity to enforce this Agreement or the terms hereof.

SECTION 15. Successors Bound. All covenants, promises and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns of the Issuer, the Escrow Agent and the owners of the Refunded Bonds, whether so expressed or not.

SECTION 16. Louisiana Law Governing. This Agreement shall be governed by the applicable laws of the State of Louisiana.

SECTION 17. Termination. This Agreement shall terminate when all of the Refunded Bonds have been paid as aforesaid and any remaining moneys have been paid to the Issuer.

SECTION 18. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 19. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be one and the same instrument.

SECTION 20. Release of Lien of Indenture. In reliance upon the opinion of Jones Walker LLP, as Bond Counsel, dated November 13, 2013, and delivered to certain parties, the Trustee under the Indenture hereby acknowledges that the moneys and investments in the Escrow Fund satisfy the requirements of the Indenture relating to the defeasance of the Refunded Bonds and agrees to deliver to the Issuer forthwith such instruments as are requested of it to evidence the Trustee’s release of the lien of the Indenture and the documents relating thereto with respect to the Refunded Bonds. Notwithstanding the fact that the lien of the Indenture has been released with respect to the Refunded Bonds, the Trustee shall continue to perform those duties under the Indenture that are necessary in order to preserve and protect the interests of the owners of the Prior Bonds.

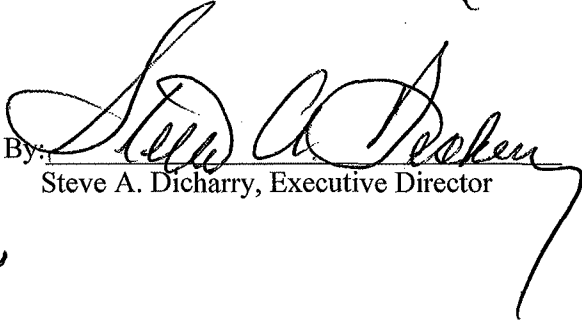
SECTION 21. Verification of the Escrow Fund. The Verification Report shows (a) the payments of the principal of and interest on the investments and moneys in the Escrow Fund, (b) the total of the principal of and interest on the Refunded Bonds hereby required to be paid to and including the Redemption Date in the amounts and on the dates indicated, and (c) the cumulative balance in the Escrow Fund after each payment is made from the Escrow Fund. With the Verification Report, the Verification Agent has delivered its opinion, addressed to the Issuer, the Trustee and the Escrow Agent, the

Underwriters with respect to the Series 2013 Bonds, and Jones Walker LLP that if the principal of and interest on the investments in the Escrow Fund are paid as said principal and interest become due, the proceeds from the collection of such interest and principal, together with any other moneys then required to be held in the Escrow Fund, will be sufficient to permit the prompt payment of the Refunded Bonds as the same become due to and including the Redemption Date. The Escrow Agent shall not be liable for the accuracy of any calculations as to the sufficiency of the investments and moneys in the Escrow Fund to pay the principal of and interest on the Refunded Bonds or other calculations required to be made hereunder and shall not be liable for any deficiencies in the amounts necessary to make such payments.

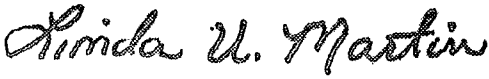
[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement as of the day and year first above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: 
Steve A. Dicharry, Executive Director

ATTEST:

By: 
Linda U. Martin, Assistant Secretary

[SEAL]

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Escrow Agent

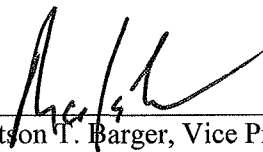
By: 
Watson T. Barger, Vice President

EXHIBIT A
VERIFICATION REPORT



The Arbitrage Group, Inc.

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES INC. PROJECT)
SERIES 2013**



The Arbitrage Group, Inc.

3401 Louisiana Street
Suite 101
Houston, Texas 77002

Telephone 713 522 8527
Facsimile 713 522 8471

www.thearbitragegroup.com

November 13, 2013

Louisiana Local Government Environmental Facilities
and Community Development Authority
Baton Rouge, Louisiana

Southeastern Louisiana University
Hammond, Louisiana

Jones Walker LLP
Baton Rouge, Louisiana

Stephens, Inc.
Baton Rouge, Louisiana

The Bank of New York Mellon Trust Company, N.A.
Baton Rouge, Louisiana

\$40,910,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
**(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES INC. PROJECT)**
SERIES 2013

Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority") proposes to issue the above referenced bonds (the "Bonds") which are dated and will be delivered on November 13, 2013. The Bonds consist of \$36,445,000 Serial Bonds and \$4,465,000 Term Bonds due August 1, 2026.

A portion of the proceeds of the Bonds will be used to purchase United States Treasury Securities -- State and Local Government Series (the "Restricted Acquired Obligations") which will be placed in an irrevocable trust together with an initial cash deposit to be used solely to refund that portion of the Authority's Southeastern Louisiana Student Housing/University Facilities, Inc. Project Series 2004A (the "Refunded Bonds") described as follows:

Louisiana Local Government Environmental Facilities
and Community Development Authority
November 13, 2013
Page 2

| <u>Series</u> | <u>Original Amount Issued</u> | <u>Dated Date</u> | <u>Amount to be Refunded</u> | <u>Maturities and Sinking Fund Dates to be Refunded</u> | <u>Maturities and Sinking Fund Dates to be Optionally Redeemed</u> | <u>Optional Redemption Date and Price</u> |
|---------------|---------------------------------------|-------------------|--------------------------------------|---|--|---|
| 2004A | \$60,985,000 | 08-01-2004 | \$52,230,000 | 08-01-2014 - 08-01-2031, Inclusive | 08-01-2015 - 08-01-2031, Inclusive | 08-01-2014 @ 100% |

At your request, we have independently verified the arithmetical accuracy of the computations provided to us by Stephens, Inc. which indicate: (1) the sufficiency of the receipts from the Restricted Acquired Obligations together with an initial cash deposit to pay to and at early redemption the principal of and interest on the Refunded Bonds; and, (2) the "yields" to be considered by bond counsel in its determination that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended. The term "yield," as used herein, means that discount rate which, when used in computing the present value of all payments of principal and interest on an obligation compounded semiannually using a 30/360-day year basis, produces an amount equal to: in the case of the Restricted Acquired Obligations, the purchase price of such securities; and, in the case of the Bonds, the Issue Price to the Public. For purposes of calculating the yield on the Bonds, Bonds maturing August 1, 2024 with a coupon rate of 4.500% and Bonds maturing August 1, 2024 with a coupon rate of 5.000% are treated as redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%, which produces the lowest yield on the Bonds.

The original computations, along with certain assumptions and information, were furnished to us by Stephens, Inc. on behalf of the Authority. We have relied solely on the assumptions and information provided to us and have not made any study or evaluation of them, except as noted below. We express no opinion on the reasonableness of the assumptions, or the likelihood that the debt service requirements of the Refunded Bonds will be paid as described in the accompanying Exhibits.

In the course of our engagement, we were furnished by Stephens, Inc. with the Official Statement for the Refunded Bonds, the Official Statement for the Bonds and copies of the initial and final subscription forms for the purchase of the Restricted Acquired Obligations. We understand that the initial subscription form was filed on November 5, 2013. We compared the information contained in the schedules provided by Stephens, Inc. with certain information set forth in such documents with respect to prices, principal payment dates and amounts, interest payment dates and rates, yields, and redemption dates and prices. We found that the information contained in such schedules provided to us by Stephens, Inc. was in agreement with the above-mentioned information set forth in such documents. In addition, we have verified that, based upon the table of interest rates payable on United States Treasury Securities -- State and Local Government Series for use on November 5, 2013, the interest rates payable on the Restricted Acquired Obligations are at or below the maximum allowable interest rate for each maturity date.

Louisiana Local Government Environmental Facilities
and Community Development Authority
November 13, 2013
Page 3

In our opinion, based on the assumptions and information provided by Stephens, Inc. on behalf of the Authority, the computations in the schedules provided to us are arithmetically accurate. The computations in the accompanying Exhibits prepared by us and the comparable schedules provided to us indicate that:

- (1) the receipts from the Restricted Acquired Obligations together with an initial cash deposit of \$0.18 will be sufficient to pay to and at early redemption the principal of and interest on the Refunded Bonds; and,
- (2) the yield of the Bonds, assuming Bonds maturing August 1, 2024 with a coupon rate of 4.500% and Bonds maturing August 1, 2024 with a coupon rate of 5.000% are treated as redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%, is 3.129333% and the yield of the Restricted Acquired Obligations is 0.089372%.

The terms of our engagement are such that we have no obligation to update this report or to verify any revised computation because of events and transactions occurring subsequent to the date of this report. This report is issued solely for your information and assistance in connection with the issuance of the Bonds. This report is not to be quoted or referred to without our prior written consent.

Very truly yours,

The Arbitrage Group, Inc.

Exhibits

- A. Sources and Uses of Funds
- B. Escrow Cash Flow
- C-1. Debt Service Requirements of the Refunded Bonds to Maturity
- C-2. Debt Service Requirements of the Refunded Bonds to Early Redemption
- D. Receipts from Restricted Acquired Obligations and Proof of Yield
- E. Debt Service Requirements of the Bonds to Maturity
- F. Debt Service Requirements and Proof of Yield on the Bonds Assuming Certain Early Redemptions
- G. Computation of Net Original Issue Premium

Sources and Uses of Funds

Louisiana Local Government Environmental Facilities and Community Development Authority

SOURCES

| | |
|---|-----------------|
| Principal Amount of the Bonds | \$40,910,000.00 |
| Net Original Issue Premium | 3,314,138.35 |
| Transfer from Prior Debt Service Fund | 1,116,134.38 |
| Transfer from Prior Debt Service Reserve Fund | 3,765,837.50 |
| Equity Contribution | 7,500,000.00 |
| Transfer from Prior Project Fund | 762,582.09 |
| | <hr/> |
| | \$57,368,692.32 |
| | <hr/> <hr/> |

USES

| | |
|---|-----------------|
| Purchase Price of Restricted Acquired Obligations | \$54,700,058.00 |
| Initial Cash Deposit | 0.18 |
| Deposit to Debt Service Reserve Fund | 2,045,500.00 |
| Costs of Issuance | 321,610.75 |
| Underwriter's Discount | 296,597.50 |
| Contingency | 4,925.89 |
| | <hr/> |
| | \$57,368,692.32 |
| | <hr/> <hr/> |

Escrow Cash Flow

*Louisiana Local Government Environmental Facilities
and Community Development Authority*

| <u>Date</u> | <u>Beginning Cash Balance</u> | <u>Receipts from Restricted Acquired Obligations</u> | <u>Debt Service Requirements of the Refunded Bonds to Early Redemption</u> | <u>Ending Cash Balance</u> |
|-------------|---------------------------------------|--|--|------------------------------------|
| 11/13/13 | \$0.18 | | | \$0.18 |
| 02/01/14 | \$0.18 | \$1,252,269.33 | \$1,252,268.75 | \$0.76 |
| 08/01/14 | \$0.76 | 53,482,267.99 | 53,482,268.75 | \$0.00 |
| | | <u>\$54,734,537.32</u> | <u>\$54,734,537.50</u> | |

Debt Service Requirements of the Refunded Bonds to Maturity

*Louisiana Local Government Environmental Facilities
and Community Development Authority*

| Date | Principal | Coupon Rate | Interest | Debt Service Requirements of the Refunded Bonds to Maturity |
|----------|----------------|-------------|----------------|---|
| 02/01/14 | | | \$1,252,268.75 | \$1,252,268.75 |
| 08/01/14 | \$1,960,000.00 | 4.000% | 1,252,268.75 | 3,212,268.75 |
| 02/01/15 | | | 1,213,068.75 | 1,213,068.75 |
| 08/01/15 | 2,040,000.00 | 5.000% | 1,213,068.75 | 3,253,068.75 |
| 02/01/16 | | | 1,162,068.75 | 1,162,068.75 |
| 08/01/16 | 2,140,000.00 | 4.000% | 1,162,068.75 | 3,302,068.75 |
| 02/01/17 | | | 1,119,268.75 | 1,119,268.75 |
| 08/01/17 | 2,230,000.00 | 4.000% | 1,119,268.75 | 3,349,268.75 |
| 02/01/18 | | | 1,074,668.75 | 1,074,668.75 |
| 08/01/18 | 2,320,000.00 | 4.100% | 1,074,668.75 | 3,394,668.75 |
| 02/01/19 | | | 1,027,108.75 | 1,027,108.75 |
| 08/01/19 | 2,415,000.00 | 4.200% | 1,027,108.75 | 3,442,108.75 |
| 02/01/20 | | | 976,393.75 | 976,393.75 |
| 08/01/20 | 2,515,000.00 | 5.250% | 976,393.75 | 3,491,393.75 |
| 02/01/21 | | | 910,375.00 | 910,375.00 |
| 08/01/21 | 2,645,000.00 | 5.250% | 910,375.00 | 3,555,375.00 |
| 02/01/22 | | | 840,943.75 | 840,943.75 |
| 08/01/22 | 2,785,000.00 | 4.500% | 840,943.75 | 3,625,943.75 |
| 02/01/23 | | | 778,281.25 | 778,281.25 |
| 08/01/23 | 2,910,000.00 | 5.250% | 778,281.25 | 3,688,281.25 |
| 02/01/24 | | | 701,893.75 | 701,893.75 |
| 08/01/24 | 3,060,000.00 | 5.250% | 701,893.75 | 3,761,893.75 |
| 02/01/25 | | | 621,568.75 | 621,568.75 |
| 08/01/25 | 3,225,000.00 | 4.750% | 621,568.75 | 3,846,568.75 |
| 02/01/26 | | | 544,975.00 | 544,975.00 |
| 08/01/26 | 3,375,000.00 | 5.000% | 544,975.00 | 3,919,975.00 |
| 02/01/27 | | | 460,600.00 | 460,600.00 |
| 08/01/27 | 3,545,000.00 | 5.000% | 460,600.00 | 4,005,600.00 |
| 02/01/28 | | | 371,975.00 | 371,975.00 |
| 08/01/28 | 3,720,000.00 | 4.750% | 371,975.00 | 4,091,975.00 |
| 02/01/29 | | | 283,625.00 | 283,625.00 |

Debt Service Requirements of the Refunded Bonds to Maturity

Louisiana Local Government Environmental Facilities and Community Development Authority

| <u>Date</u> | <u>Principal</u> | <u>Coupon Rate</u> | <u>Interest</u> | <u>Debt Service Requirements of the Refunded Bonds to Maturity</u> |
|-------------|------------------------|--------------------|------------------------|--|
| 08/01/29 | 3,900,000.00 | 5.000% | 283,625.00 | 4,183,625.00 |
| 02/01/30 | | | 186,125.00 | 186,125.00 |
| 08/01/30 | 4,095,000.00 | 5.000% | 186,125.00 | 4,281,125.00 |
| 02/01/31 | | | 83,750.00 | 83,750.00 |
| 08/01/31 | 3,350,000.00 | 5.000% | 83,750.00 | 3,433,750.00 |
| | <u>\$52,230,000.00</u> | | <u>\$27,217,917.50</u> | <u>\$79,447,917.50</u> |

Debt Service Requirements of the Refunded Bonds to Early Redemption

Louisiana Local Government Environmental Facilities and Community Development Authority

| <u>Date</u> | <u>Principal</u> | <u>Coupon Rate</u> | <u>Interest</u> | <u>Debt Service Requirements of the Refunded Bonds to Early Redemption</u> |
|-------------|------------------------|--------------------|-----------------------|--|
| 02/01/14 | | | \$1,252,268.75 | \$1,252,268.75 |
| 08/01/14 | \$52,230,000.00 | * | 1,252,268.75 | 53,482,268.75 |
| | <u>\$52,230,000.00</u> | | <u>\$2,504,537.50</u> | <u>\$54,734,537.50</u> |

* Coupon rates are as shown in the Debt Service Requirements of the Refunded Bonds to Maturity.

Receipts from Restricted Acquired Obligations and Proof of Yield

*Louisiana Local Government Environmental Facilities
and Community Development Authority*

| <u>Date</u> | <u>Principal</u> | <u>Coupon Rate</u> | <u>Interest</u> | <u>Receipts from Restricted Acquired Obligations</u> | <u>Present Value of Future Receipts at 11/13/13 Using a Rate of 0.089372%</u> |
|-------------|------------------------|------------------------|--------------------|--|---|
| 02/01/14 | \$1,252,187.00 | 0.030% | \$82.33 | \$1,252,269.33 | \$1,252,026.91 |
| 08/01/14 | 53,447,871.00 | 0.090% | 34,396.99 | 53,482,267.99 | 53,448,031.09 |
| | <u>\$54,700,058.00</u> | | <u>\$34,479.32</u> | <u>\$54,734,537.32</u> | <u>\$54,700,058.00</u> |
| | | | | | |
| | | | | Purchase Price of Restricted Acquired Obligations | <u>\$54,700,058.00</u> |

Debt Service Requirements of the Bonds to Maturity

*Louisiana Local Government Environmental Facilities
and Community Development Authority*

| Date | \$36,445,000 Serial Bonds | | | \$4,465,000 Term Bonds @ 4.000% due 08-01-2026 | | Debt Service Requirements of the Bonds to Maturity |
|----------|------------------------------|----------------|------------------------|---|-----------------------|---|
| | Principal | Coupon Rate | Interest | Principal | Interest | |
| 02/01/14 | | | \$343,977.29 | | \$38,696.67 | \$382,673.96 |
| 08/01/14 | \$2,685,000.00 | * | 793,793.75 | | 89,300.00 | 3,568,093.75 |
| 02/01/15 | | | 763,443.75 | | 89,300.00 | 852,743.75 |
| 08/01/15 | 2,750,000.00 | 3.000% | 763,443.75 | | 89,300.00 | 3,602,743.75 |
| 02/01/16 | | | 722,193.75 | | 89,300.00 | 811,493.75 |
| 08/01/16 | 2,855,000.00 | 4.000% | 722,193.75 | | 89,300.00 | 3,666,493.75 |
| 02/01/17 | | | 665,093.75 | | 89,300.00 | 754,393.75 |
| 08/01/17 | 2,970,000.00 | 4.000% | 665,093.75 | | 89,300.00 | 3,724,393.75 |
| 02/01/18 | | | 605,693.75 | | 89,300.00 | 694,993.75 |
| 08/01/18 | 3,105,000.00 | 5.000% | 605,693.75 | | 89,300.00 | 3,799,993.75 |
| 02/01/19 | | | 528,068.75 | | 89,300.00 | 617,368.75 |
| 08/01/19 | 3,265,000.00 | 5.000% | 528,068.75 | | 89,300.00 | 3,882,368.75 |
| 02/01/20 | | | 446,443.75 | | 89,300.00 | 535,743.75 |
| 08/01/20 | 3,415,000.00 | 5.000% | 446,443.75 | | 89,300.00 | 3,950,743.75 |
| 02/01/21 | | | 361,068.75 | | 89,300.00 | 450,368.75 |
| 08/01/21 | 3,585,000.00 | 5.000% | 361,068.75 | | 89,300.00 | 4,035,368.75 |
| 02/01/22 | | | 271,443.75 | | 89,300.00 | 360,743.75 |
| 08/01/22 | 3,775,000.00 | 5.000% | 271,443.75 | | 89,300.00 | 4,135,743.75 |
| 02/01/23 | | | 177,068.75 | | 89,300.00 | 266,368.75 |
| 08/01/23 | 3,935,000.00 | * | 177,068.75 | | 89,300.00 | 4,201,368.75 |
| 02/01/24 | | | 96,587.50 | | 89,300.00 | 185,887.50 |
| 08/01/24 | 4,105,000.00 | * | 96,587.50 | | 89,300.00 | 4,290,887.50 |
| 02/01/25 | | | | | 89,300.00 | 89,300.00 |
| 08/01/25 | | | | \$4,295,000.00 | 89,300.00 | 4,384,300.00 |
| 02/01/26 | | | | | 3,400.00 | 3,400.00 |
| 08/01/26 | | | | 170,000.00 | 3,400.00 | 173,400.00 |
| | <u>\$36,445,000.00</u> | | <u>\$10,411,983.54</u> | <u>\$4,465,000.00</u> | <u>\$2,099,396.67</u> | <u>\$53,421,380.21</u> |

* Coupon rates are as shown in the Computation of Net Original Issue Premium (Exhibit G).

Debt Service Requirements and Proof of Yield on the Bonds Assuming Certain Early Redemptions

Louisiana Local Government Environmental Facilities and Community Development Authority

| Date | \$36,445,000 Serial Bonds | | | \$4,465,000 Term Bonds @ 4.000% due 08-01-2026 | | Debt Service Requirements of the Bonds** | Present Value of Future Payments at 11/13/13 Using a Rate of 3.129333% |
|----------|------------------------------|----------------|------------------------|---|-----------------------|---|---|
| | Principal | Coupon Rate | Interest | Principal | Interest | | |
| 02/01/14 | | | \$343,977.29 | | \$38,696.67 | \$382,673.96 | \$380,108.08 |
| 08/01/14 | \$2,685,000.00 | * | 793,793.75 | | 89,300.00 | 3,568,093.75 | 3,489,569.04 |
| 02/01/15 | | | 763,443.75 | | 89,300.00 | 852,743.75 | 821,129.09 |
| 08/01/15 | 2,750,000.00 | 3.000% | 763,443.75 | | 89,300.00 | 3,602,743.75 | 3,415,730.65 |
| 02/01/16 | | | 722,193.75 | | 89,300.00 | 811,493.75 | 757,517.68 |
| 08/01/16 | 2,855,000.00 | 4.000% | 722,193.75 | | 89,300.00 | 3,666,493.75 | 3,369,891.33 |
| 02/01/17 | | | 665,093.75 | | 89,300.00 | 754,393.75 | 682,685.03 |
| 08/01/17 | 2,970,000.00 | 4.000% | 665,093.75 | | 89,300.00 | 3,724,393.75 | 3,318,449.72 |
| 02/01/18 | | | 605,693.75 | | 89,300.00 | 694,993.75 | 609,702.40 |
| 08/01/18 | 3,105,000.00 | 5.000% | 605,693.75 | | 89,300.00 | 3,799,993.75 | 3,282,292.19 |
| 02/01/19 | | | 528,068.75 | | 89,300.00 | 617,368.75 | 525,044.79 |
| 08/01/19 | 3,265,000.00 | 5.000% | 528,068.75 | | 89,300.00 | 3,882,368.75 | 3,250,916.72 |
| 02/01/20 | | | 446,443.75 | | 89,300.00 | 535,743.75 | 441,696.06 |
| 08/01/20 | 3,415,000.00 | 5.000% | 446,443.75 | | 89,300.00 | 3,950,743.75 | 3,207,027.08 |
| 02/01/21 | | | 361,068.75 | | 89,300.00 | 450,368.75 | 359,955.96 |
| 08/01/21 | 3,585,000.00 | 5.000% | 361,068.75 | | 89,300.00 | 4,035,368.75 | 3,175,570.05 |
| 02/01/22 | | | 271,443.75 | | 89,300.00 | 360,743.75 | 279,508.25 |
| 08/01/22 | 3,775,000.00 | 5.000% | 271,443.75 | | 89,300.00 | 4,135,743.75 | 3,155,054.00 |
| 02/01/23 | | | 177,068.75 | | 89,300.00 | 266,368.75 | 200,075.45 |
| 08/01/23 | 7,735,000.00 | * | 177,068.75 | | 89,300.00 | 8,001,368.75 | 5,917,416.87 |
| 02/01/24 | | | 5,337.50 | | 89,300.00 | 94,637.50 | 68,910.99 |
| 08/01/24 | 305,000.00 | 3.500% | 5,337.50 | | 89,300.00 | 399,637.50 | 286,515.96 |
| 02/01/25 | | | | | 89,300.00 | 89,300.00 | 63,036.40 |
| 08/01/25 | | | | \$4,295,000.00 | 89,300.00 | 4,384,300.00 | 3,047,176.09 |
| 02/01/26 | | | | | 3,400.00 | 3,400.00 | 2,326.66 |
| 08/01/26 | | | | 170,000.00 | 3,400.00 | 173,400.00 | 116,831.81 |
| | <u>\$36,445,000.00</u> | | <u>\$10,229,483.54</u> | <u>\$4,465,000.00</u> | <u>\$2,099,396.67</u> | <u>\$53,238,880.21</u> | <u>\$44,224,138.35</u> |

Principal Amount of the Bonds \$40,910,000.00
Net Original Issue Premium 3,314,138.35

\$44,224,138.35

* Coupon rates are as shown in the Computation of Net Original Issue Premium (Exhibit G).

** Assumes certain Bonds maturing August 1, 2024 are redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%, more fully described in Exhibit G.

Computation of Net Original Issue Premium

Louisiana Local Government Environmental Facilities and Community Development Authority

| <u>Date</u> | <u>Principal</u> | <u>Coupon Rate</u> | <u>Yield</u> | <u>Price</u> | <u>Purchase Price</u> | <u>Accrued Interest</u> | <u>Original Issue Premium/(Discount)</u> |
|-------------|------------------------|------------------------|--------------|--------------|---------------------------|-----------------------------|--|
| 08/01/14 | \$1,985,000.00 | 2.000% | 0.600% | 100.999% | \$2,004,830.15 | \$0.00 | \$19,830.15 |
| 08/01/14 | 700,000.00 | 3.000% | 0.600% | 101.713% | 711,991.00 | 0.00 | 11,991.00 |
| 08/01/15 | 2,750,000.00 | 3.000% | 0.870% | 103.620% | 2,849,550.00 | 0.00 | 99,550.00 |
| 08/01/16 | 2,855,000.00 | 4.000% | 1.150% | 107.599% | 3,071,951.45 | 0.00 | 216,951.45 |
| 08/01/17 | 2,970,000.00 | 4.000% | 1.500% | 109.002% | 3,237,359.40 | 0.00 | 267,359.40 |
| 08/01/18 | 3,105,000.00 | 5.000% | 1.900% | 113.919% | 3,537,184.95 | 0.00 | 432,184.95 |
| 08/01/19 | 3,265,000.00 | 5.000% | 2.380% | 113.922% | 3,719,553.30 | 0.00 | 454,553.30 |
| 08/01/20 | 3,415,000.00 | 5.000% | 2.780% | 113.512% | 3,876,434.80 | 0.00 | 461,434.80 |
| 08/01/21 | 3,585,000.00 | 5.000% | 3.140% | 112.654% | 4,038,645.90 | 0.00 | 453,645.90 |
| 08/01/22 | 3,775,000.00 | 5.000% | 3.380% | 112.137% | 4,233,171.75 | 0.00 | 458,171.75 |
| 08/01/23 | 2,045,000.00 | 3.250% | 3.570% | 97.388% | 1,991,584.60 | 0.00 | (53,415.40) |
| 08/01/23 | 1,890,000.00 | 5.000% | 3.570% | 111.648% | 2,110,147.20 | 0.00 | 220,147.20 |
| 08/01/24 | 305,000.00 | 3.500% | 3.720% | 98.066% | 299,101.30 | 0.00 | (5,898.70) |
| 08/01/24 | 1,500,000.00 | 4.500% | 3.720%* | 106.306% | 1,594,590.00 | 0.00 | 94,590.00 |
| 08/01/24 | 2,300,000.00 | 5.000% | 3.720%* | 110.352% | 2,538,096.00 | 0.00 | 238,096.00 |
| 08/01/26 | 4,465,000.00 | 4.000% | 4.125% | 98.767% | 4,409,946.55 | 0.00 | (55,053.45) |
| | <u>\$40,910,000.00</u> | | | | <u>\$44,224,138.35</u> | <u>\$0.00</u> | <u>\$3,314,138.35</u> |

* Yields are calculated to early redemption dates and for purposes of calculating the yield on the Bonds, these Bonds are treated as redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%.

EXHIBIT B

FORM OF NOTICE OF DEFEASANCE

\$60,985,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004A

NOTICE IS HEREBY GIVEN for and on behalf of the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”), that the above-captioned bonds (the “*Bonds*”) issued in accordance with the Trust Indenture dated as of August 1, 2004, as supplemented by a First Supplemental Trust Indenture dated as of November 1, 2013, each by and between the Issuer and The Bank of New York Mellon Trust Company, N.A. (collectively, the “*Indenture*”) have been defeased pursuant to law and the terms of the Indenture by depositing in irrevocable escrow with The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, direct obligations of the United States of America, or obligations unconditionally guaranteed by the United States of America, the maturing principal of, premium, if any, and interest on which, will be sufficient to pay the interest on and the principal due for the redemption of the Bonds described below on the redemption dates set forth below. The provisions of the Indenture with respect to these Bonds have ceased, terminated and become null and void in accordance with the provisions of the Indenture.

| <u>Maturity Date</u> <u>(August 1)</u> | <u>CUSIP</u> <u>Number</u> | <u>Rate</u> | <u>Principal</u> <u>Outstanding</u> | <u>Amount</u> <u>Redeemed</u> | <u>Redemption Date</u> |
|---|-------------------------------|-------------|--|----------------------------------|------------------------|
| 2014 | 546279TL4 | 4.00% | \$ 1,960,000 | \$ 1,960,000 | August 1, 2014 |
| 2015 | 546279TM2 | 5.00% | 2,040,000 | 2,040,000 | August 1, 2014 |
| 2016 | 546279TN0 | 4.00% | 2,140,000 | 2,140,000 | August 1, 2014 |
| 2017 | 546279TP5 | 4.00% | 2,230,000 | 2,230,000 | August 1, 2014 |
| 2018 | 546279TQ3 | 4.10% | 2,320,000 | 2,320,000 | August 1, 2014 |
| 2019 | 546279TR1 | 4.20% | 2,415,000 | 2,415,000 | August 1, 2014 |
| 2021 | 546279TT7 | 5.25% | 5,160,000 | 5,160,000 | August 1, 2014 |
| 2022 | 546279TU4 | 4.50% | 2,785,000 | 2,785,000 | August 1, 2014 |
| 2024 | 546279TW0 | 5.25% | 5,970,000 | 5,970,000 | August 1, 2014 |
| 2025 | 546279TX8 | 4.75% | 3,225,000 | 3,225,000 | August 1, 2014 |
| 2027 | 546279UD0 | 5.00% | 6,920,000 | 6,920,000 | August 1, 2014 |
| 2028 | 546279UE8 | 4.75% | 3,720,000 | 3,720,000 | August 1, 2014 |
| 2031 | 546279TY6 | 5.00% | 11,345,000 | 11,345,000 | August 1, 2014 |

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: _____
Steve A. Dicharry, Executive Director

By: _____
Watson T. Barger, Vice President

EXHIBIT C

FORM OF CERTIFICATE OF INSTRUCTION TO REDEEM BONDS

\$60,985,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004A

To: THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee on the above captioned bonds

INSTRUCTION IS HEREBY GIVEN, that all of the outstanding amount of the Bonds maturing August 1, 2031 in the aggregate principal amount of \$52,230,000 (the “*Bonds*”) be called for redemption prior to their maturity on August 1, 2014 pursuant to Section 3.4 of the Trust Indenture dated as of August 1, 2004, as supplemented by the First Supplemental Trust Indenture dated as of November 1, 2013, each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (the “*Indenture*”). Redemption will be made by payment of the principal amount of each such Bond, together with interest accrued to the redemption date, until August 1, 2014. Any lien or interest in or to any pledge of security or collateral for the Bonds hereby called shall also cease and become null on that date.

| <u>Maturity Date</u> <u>(August 1)</u> | <u>CUSIP</u> <u>Number</u> | <u>Rate</u> | <u>Principal</u> <u>Outstanding</u> | <u>Amount</u> <u>Redeemed</u> | <u>Redemption Date</u> |
|---|-------------------------------|-------------|--|----------------------------------|------------------------|
| 2014 | 546279TL4 | 4.00% | \$ 1,960,000 | \$ 1,960,000 | August 1, 2014 |
| 2015 | 546279TM2 | 5.00% | 2,040,000 | 2,040,000 | August 1, 2014 |
| 2016 | 546279TN0 | 4.00% | 2,140,000 | 2,140,000 | August 1, 2014 |
| 2017 | 546279TP5 | 4.00% | 2,230,000 | 2,230,000 | August 1, 2014 |
| 2018 | 546279TQ3 | 4.10% | 2,320,000 | 2,320,000 | August 1, 2014 |
| 2019 | 546279TR1 | 4.20% | 2,415,000 | 2,415,000 | August 1, 2014 |
| 2021 | 546279TT7 | 5.25% | 5,160,000 | 5,160,000 | August 1, 2014 |
| 2022 | 546279TU4 | 4.50% | 2,785,000 | 2,785,000 | August 1, 2014 |
| 2024 | 546279TW0 | 5.25% | 5,970,000 | 5,970,000 | August 1, 2014 |
| 2025 | 546279TX8 | 4.75% | 3,225,000 | 3,225,000 | August 1, 2014 |
| 2027 | 546279UD0 | 5.00% | 6,920,000 | 6,920,000 | August 1, 2014 |
| 2028 | 546279UE8 | 4.75% | 3,720,000 | 3,720,000 | August 1, 2014 |
| 2031 | 546279TY6 | 5.00% | 11,345,000 | 11,345,000 | August 1, 2014 |

You are further instructed to distribute a Notice of Redemption with reference to the Bonds in accordance with the provisions of Article III of the Indenture.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: _____
Steve A. Dicharry, Executive Director

EXHIBIT D

FORM OF NOTICE OF REDEMPTION TO THE HOLDERS OF

\$60,985,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004A

NOTICE IS HEREBY GIVEN, that all of the outstanding amount of the Bonds maturing August 1, 2031 in the aggregate principal amount of \$52,230,000 (the “*Bonds*”) are called for redemption prior to their maturity and will be redeemed on August 1, 2014 pursuant to Article III of the Trust Indenture dated as of August 1, 2004, as supplemented by the First Supplemental Trust Indenture dated as of November 1, 2013, each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (the “*Indenture*”). Redemption will be made by payment of the principal amount of each such Bond, together with interest accrued to the redemption date until August 1, 2014, interest on the respective Bonds shall cease to accrue and any lien or interest in or to any pledge of security or collateral for the Bonds hereby called shall also cease and become null on that date.

| <u>Maturity Date</u> <u>(August 1)</u> | <u>CUSIP</u> <u>Number</u> | <u>Rate</u> | <u>Principal</u> <u>Outstanding</u> | <u>Amount</u> <u>Redeemed</u> | <u>Redemption Date</u> |
|---|-------------------------------|-------------|--|----------------------------------|------------------------|
| 2014 | 546279TL4 | 4.00% | \$ 1,960,000 | \$ 1,960,000 | August 1, 2014 |
| 2015 | 546279TM2 | 5.00% | 2,040,000 | 2,040,000 | August 1, 2014 |
| 2016 | 546279TN0 | 4.00% | 2,140,000 | 2,140,000 | August 1, 2014 |
| 2017 | 546279TP5 | 4.00% | 2,230,000 | 2,230,000 | August 1, 2014 |
| 2018 | 546279TQ3 | 4.10% | 2,320,000 | 2,320,000 | August 1, 2014 |
| 2019 | 546279TR1 | 4.20% | 2,415,000 | 2,415,000 | August 1, 2014 |
| 2021 | 546279TT7 | 5.25% | 5,160,000 | 5,160,000 | August 1, 2014 |
| 2022 | 546279TU4 | 4.50% | 2,785,000 | 2,785,000 | August 1, 2014 |
| 2024 | 546279TW0 | 5.25% | 5,970,000 | 5,970,000 | August 1, 2014 |
| 2025 | 546279TX8 | 4.75% | 3,225,000 | 3,225,000 | August 1, 2014 |
| 2027 | 546279UD0 | 5.00% | 6,920,000 | 6,920,000 | August 1, 2014 |
| 2028 | 546279UE8 | 4.75% | 3,720,000 | 3,720,000 | August 1, 2014 |
| 2031 | 546279TY6 | 5.00% | 11,345,000 | 11,345,000 | August 1, 2014 |

Called Bonds should be presented as follows:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, LA 70825
Attention: Corporate Trust Department

By: The Bank of New York Mellon Trust Company, N.A.

Dated: _____

EXHIBIT E

FORM OF RELEASE OF PRIOR INDENTURE

\$60,985,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004A
(the “*Refunded Bonds*”)

\$15,000,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004B
(the “*Unrefunded Bonds*”)

The Bank of New York Mellon Trust Company, N.A. (successor in interest to Bank One Trust Company, N.A.), as trustee (the “*Trustee*”) under the Trust Indenture dated as of August 1, 2004 (the “*Prior Indenture*”), as supplemented by the First Supplemental Trust Indenture dated as of November 1, 2013 (collectively with the Prior Indenture, the “*Indenture*”), each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) and the Trustee, in reliance upon various opinions and reports presented to it, hereby acknowledges pursuant to Article XII of the Prior Indenture and the Escrow Agreement dated as of November 1, 2013 by and between the Issuer and the Trustee, as escrow agent (the “*Escrow Agreement*”) that, as a result of the deposit of the moneys and investments contained in the Escrow Account created under the Escrow Agreement, it does hereby release and discharge the lien of the Prior Indenture, with respect to the Refunded Bonds, and reassign the Loan Agreement (as defined in the Indenture) to the Corporation, with respect to the Refunded Bonds. Notwithstanding the fact that the lien of the Prior Indenture has been released with respect to the Refunded Bonds, the Trustee shall continue to perform those duties under the Prior Indenture that are necessary in order to preserve and protect the interests of the owners of the Refunded Bonds defeased by the Escrow Agreement and the Unrefunded Bonds.

Dated: November 13, 2013

THE BANK OF NEW YORK
MELLON TRUST COMPANY, N.A.,
as Trustee under the Indenture

By: _____
Watson T. Barger, Vice President

NOTICE OF DEFEASANCE

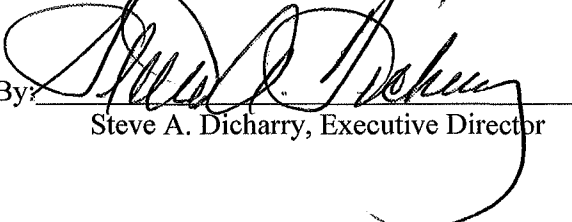
\$60,985,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004A

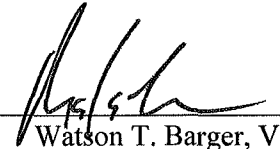
NOTICE IS HEREBY GIVEN for and on behalf of the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer"), that the above-captioned bonds (the "Bonds") issued in accordance with the Trust Indenture dated as of August 1, 2004, as supplemented by a First Supplemental Trust Indenture dated as of November 1, 2013, each by and between the Issuer and The Bank of New York Mellon Trust Company, N.A. (collectively, the "Indenture") have been defeased pursuant to law and the terms of the Indenture by depositing in irrevocable escrow with The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, direct obligations of the United States of America, or obligations unconditionally guaranteed by the United States of America, the maturing principal of, premium, if any, and interest on which, will be sufficient to pay the interest on and the principal due for the redemption of the Bonds described below on the redemption dates set forth below. The provisions of the Indenture with respect to these Bonds have ceased, terminated and become null and void in accordance with the provisions of the Indenture.

| <u>Maturity Date</u> <u>(August 1)</u> | <u>CUSIP</u> <u>Number</u> | <u>Rate</u> | <u>Principal</u> <u>Outstanding</u> | <u>Amount</u> <u>Redeemed</u> | <u>Redemption Date</u> |
|---|-------------------------------|-------------|--|----------------------------------|------------------------|
| 2014 | 546279TL4 | 4.00% | \$ 1,960,000 | \$ 1,960,000 | August 1, 2014 |
| 2015 | 546279TM2 | 5.00% | 2,040,000 | 2,040,000 | August 1, 2014 |
| 2016 | 546279TN0 | 4.00% | 2,140,000 | 2,140,000 | August 1, 2014 |
| 2017 | 546279TP5 | 4.00% | 2,230,000 | 2,230,000 | August 1, 2014 |
| 2018 | 546279TQ3 | 4.10% | 2,320,000 | 2,320,000 | August 1, 2014 |
| 2019 | 546279TR1 | 4.20% | 2,415,000 | 2,415,000 | August 1, 2014 |
| 2021 | 546279TT7 | 5.25% | 5,160,000 | 5,160,000 | August 1, 2014 |
| 2022 | 546279TU4 | 4.50% | 2,785,000 | 2,785,000 | August 1, 2014 |
| 2024 | 546279TW0 | 5.25% | 5,970,000 | 5,970,000 | August 1, 2014 |
| 2025 | 546279TX8 | 4.75% | 3,225,000 | 3,225,000 | August 1, 2014 |
| 2027 | 546279UD0 | 5.00% | 6,920,000 | 6,920,000 | August 1, 2014 |
| 2028 | 546279UE8 | 4.75% | 3,720,000 | 3,720,000 | August 1, 2014 |
| 2031 | 546279TY6 | 5.00% | 11,345,000 | 11,345,000 | August 1, 2014 |

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: 
Steve A. Dicharry, Executive Director

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: 
Watson T. Barger, Vice President

CERTIFICATE OF INSTRUCTION TO REDEEM BONDS

\$60,985,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004A

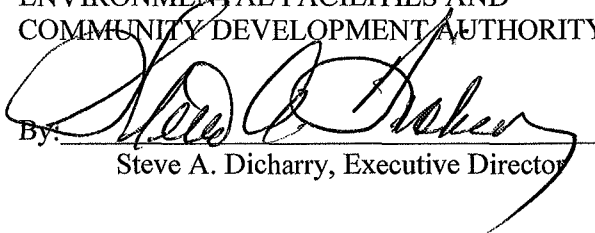
To: THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee on the above captioned bonds

INSTRUCTION IS HEREBY GIVEN, that all of the outstanding amount of the Bonds maturing August 1, 2031 in the aggregate principal amount of \$52,230,000 (the "Bonds") be called for redemption prior to their maturity on August 1, 2014 pursuant to Section 3.4 of the Trust Indenture dated as of August 1, 2004, as supplemented by the First Supplemental Trust Indenture dated as of November 1, 2013, each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (the "Indenture"). Redemption will be made by payment of the principal amount of each such Bond, together with interest accrued to the redemption date, until August 1, 2014. Any lien or interest in or to any pledge of security or collateral for the Bonds hereby called shall also cease and become null on that date.

| <u>Maturity Date</u> <u>(August 1)</u> | <u>CUSIP</u> <u>Number</u> | <u>Rate</u> | <u>Principal</u> <u>Outstanding</u> | <u>Amount</u> <u>Redeemed</u> | <u>Redemption Date</u> |
|---|-------------------------------|-------------|--|----------------------------------|------------------------|
| 2014 | 546279TL4 | 4.00% | \$ 1,960,000 | \$ 1,960,000 | August 1, 2014 |
| 2015 | 546279TM2 | 5.00% | 2,040,000 | 2,040,000 | August 1, 2014 |
| 2016 | 546279TN0 | 4.00% | 2,140,000 | 2,140,000 | August 1, 2014 |
| 2017 | 546279TP5 | 4.00% | 2,230,000 | 2,230,000 | August 1, 2014 |
| 2018 | 546279TQ3 | 4.10% | 2,320,000 | 2,320,000 | August 1, 2014 |
| 2019 | 546279TR1 | 4.20% | 2,415,000 | 2,415,000 | August 1, 2014 |
| 2021 | 546279TT7 | 5.25% | 5,160,000 | 5,160,000 | August 1, 2014 |
| 2022 | 546279TU4 | 4.50% | 2,785,000 | 2,785,000 | August 1, 2014 |
| 2024 | 546279TW0 | 5.25% | 5,970,000 | 5,970,000 | August 1, 2014 |
| 2025 | 546279TX8 | 4.75% | 3,225,000 | 3,225,000 | August 1, 2014 |
| 2027 | 546279UD0 | 5.00% | 6,920,000 | 6,920,000 | August 1, 2014 |
| 2028 | 546279UE8 | 4.75% | 3,720,000 | 3,720,000 | August 1, 2014 |
| 2031 | 546279TY6 | 5.00% | 11,345,000 | 11,345,000 | August 1, 2014 |

You are further instructed to distribute a Notice of Redemption with reference to the Bonds in accordance with the provisions of Article III of the Indenture.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: 
Steve A. Dicharry, Executive Director

FORM OF NOTICE OF REDEMPTION TO THE HOLDERS OF

\$60,985,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004A

NOTICE IS HEREBY GIVEN, that all of the outstanding amount of the Bonds maturing August 1, 2031 in the aggregate principal amount of \$52,230,000 (the “*Bonds*”) are called for redemption prior to their maturity and will be redeemed on August 1, 2014 pursuant to Article III of the Trust Indenture dated as of August 1, 2004, as supplemented by the First Supplemental Trust Indenture dated as of November 1, 2013, each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (the “*Indenture*”). Redemption will be made by payment of the principal amount of each such Bond, together with interest accrued to the redemption date until August 1, 2014, interest on the respective Bonds shall cease to accrue and any lien or interest in or to any pledge of security or collateral for the Bonds hereby called shall also cease and become null on that date.

| <u>Maturity Date</u> <u>(August 1)</u> | <u>CUSIP</u> <u>Number</u> | <u>Rate</u> | <u>Principal</u> <u>Outstanding</u> | <u>Amount</u> <u>Redeemed</u> | <u>Redemption Date</u> |
|---|-------------------------------|-------------|--|----------------------------------|------------------------|
| 2014 | 546279TL4 | 4.00% | \$ 1,960,000 | \$ 1,960,000 | August 1, 2014 |
| 2015 | 546279TM2 | 5.00% | 2,040,000 | 2,040,000 | August 1, 2014 |
| 2016 | 546279TN0 | 4.00% | 2,140,000 | 2,140,000 | August 1, 2014 |
| 2017 | 546279TP5 | 4.00% | 2,230,000 | 2,230,000 | August 1, 2014 |
| 2018 | 546279TQ3 | 4.10% | 2,320,000 | 2,320,000 | August 1, 2014 |
| 2019 | 546279TR1 | 4.20% | 2,415,000 | 2,415,000 | August 1, 2014 |
| 2021 | 546279TT7 | 5.25% | 5,160,000 | 5,160,000 | August 1, 2014 |
| 2022 | 546279TU4 | 4.50% | 2,785,000 | 2,785,000 | August 1, 2014 |
| 2024 | 546279TW0 | 5.25% | 5,970,000 | 5,970,000 | August 1, 2014 |
| 2025 | 546279TX8 | 4.75% | 3,225,000 | 3,225,000 | August 1, 2014 |
| 2027 | 546279UD0 | 5.00% | 6,920,000 | 6,920,000 | August 1, 2014 |
| 2028 | 546279UE8 | 4.75% | 3,720,000 | 3,720,000 | August 1, 2014 |
| 2031 | 546279TY6 | 5.00% | 11,345,000 | 11,345,000 | August 1, 2014 |

Called Bonds should be presented as follows:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, LA 70825
Attention: Corporate Trust Department

By: The Bank of New York Mellon Trust Company, N.A.

Dated: November 13, 2013

DIRECTION TO REDEEM BONDS AND CONSENT TO AMENDMENT
OF FACILITIES DOCUMENTS

\$60,985,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A

\$15,000,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B

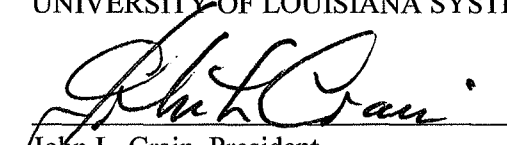
Reference is hereby made to that certain Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”), between the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) and The Bank of New York Mellon Trust Company, N.A., as trustee (the “*Trustee*”), in connection with the issuance by the Issuer of its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and, together with the Series 2004A Bonds, the “*Prior Bonds*”). Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Original Indenture.

In connection with the advance refunding of the Series 2004A Bonds, the Series 2004A Bonds will be redeemed on August 1, 2014 (the “*Redemption Date*”) from the proceeds of the Issuer’s \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013, dated November 13, 2013 (the “*Series 2013 Bonds*”). Section 3.4 of the Indenture provides that the direction of the Board of Supervisors of the University of Louisiana System (the “*Board*”) is required for an optional redemption of the Prior Bonds.

The undersigned, on behalf of the Board, hereby directs the Issuer to cause the redemption of the Series 2004A Bonds on the Redemption Date.

Dated November 13, 2013

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM



John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

RELEASE OF PRIOR INDENTURE

\$60,985,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004A
(the "Refunded Bonds")


\$15,000,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2004B
(the "Unrefunded Bonds")

The Bank of New York Mellon Trust Company, N.A. (successor in interest to Bank One Trust Company, N.A.), as trustee (the "Trustee") under the Trust Indenture dated as of August 1, 2004 (the "Prior Indenture"), as supplemented by the First Supplemental Trust Indenture dated as of November 1, 2013 (collectively with the Prior Indenture, the "Indenture"), each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") and the Trustee, in reliance upon various opinions and reports presented to it, hereby acknowledges pursuant to Article XII of the Prior Indenture and the Escrow Agreement dated as of November 1, 2013 by and between the Issuer and the Trustee, as escrow agent (the "Escrow Agreement") that, as a result of the deposit of the moneys and investments contained in the Escrow Account created under the Escrow Agreement, it does hereby release and discharge the lien of the Prior Indenture, with respect to the Refunded Bonds, and reassign the Loan Agreement (as defined in the Indenture) to the Corporation, with respect to the Refunded Bonds. Notwithstanding the fact that the lien of the Prior Indenture has been released with respect to the Refunded Bonds, the Trustee shall continue to perform those duties under the Prior Indenture that are necessary in order to preserve and protect the interests of the owners of the Refunded Bonds defeased by the Escrow Agreement and the Unrefunded Bonds.

Dated: November 13, 2013

THE BANK OF NEW YORK
MELLON TRUST COMPANY, N.A.,
as Trustee under the Indenture

By: 
Watson T. Barger, Vice President



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 11/07/2013 08:37 AM EST
Page: 1 of 2

Issue Information

Treasury Case Number 201303161
Status Complete
Issue Date 11/13/2013
Issue Amount \$54,700,058.00
Rate Table Date 11/05/2013

Owner

Taxpayer Identification Number 72-1416168
Underlying Bond Issue Revenue Refunding Bonds (SE LA Univ Student Hsg/Univ Facilities Inc. Project), Series 2013
Owner Name Louisiana Local Government Environmental Facilities and Community Development Authority
Address Line 1 8712 Jefferson Highway
Line 2 Suite A
Line 3
City Baton Rouge
State LA
Zip Code 70809
Contact Name Steve Dicharry
Telephone 318-322-1202
Fax
E-mail steve@louisianacda.com

Trustee

ABA Routing Number 021000018
Bank Reference Number
Bank Name Bank of New York Mellon
Address Line 1 2001 Bryan Street
Line 2 11th Floor
Line 3
City Dallas
State TX
Zip Code 75201
Contact Name Deirdre Wilson
Telephone 214-468-6526
Fax 214-468-5144
E-mail deirdre.wilson@bnymellon.com

Funds for Purchase

ABA Routing Number 021000018
Bank Name Bank of New York Mellon
Contact Name Deirdre Wilson
Telephone 214-468-6526
Fax 214-468-5144
E-mail deirdre.wilson@bnymellon.com



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 11/07/2013 08:37 AM EST
Page: 2 of 2

ACH Institutions & Instructions

ABA Routing Number 021000018
Bank Name Bank of New York Mellon
Address Line 1 2001 Bryan Street
Line 2 11th Floor
Line 3
City Dallas
State TX
Zip Code 75201
Contact Name Deirdre Wilson
Telephone 214-468-6526
Fax 214-468-5144
E-mail deirdre.wilson@bnymellon.com

ABA Routing Number 021000018
Account Name BNY TAS #168296
Account Number 8900101474
Account Type Checking

Subscriber

ABA/TIN 71-0641478
Organization Name Stephens Inc.
Address Line 1 111 Center Street, Suite 2300
Line 2
Line 3
City Little Rock
State AR
Zip Code 72201
Contact Name P. Michele Casavechia
Telephone 501-377-2297
Fax 501-377-2044
E-mail mcasavechia@stephens.com

Viewers

| ABA/TIN | Organization Name |
|---------------------|-------------------|
| No Viewers Assigned | |

Securities

| Security Number | Security Type | Principal Amount | Interest Rate | Maturity Date | First Interest Payment Date | Security Description |
|-----------------|---------------|------------------|---------------|---------------|-----------------------------|----------------------|
| 1 | C of I | \$1,252,187.00 | 0.030000000 | 02/01/2014 | | |
| 2 | C of I | \$53,447,871.00 | 0.090000000 | 08/01/2014 | | |



The Arbitrage Group, Inc.

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES INC. PROJECT)
SERIES 2013**



The Arbitrage Group, Inc.

3401 Louisiana Street
Suite 101
Houston, Texas 77002

Telephone 713 522 8527
Facsimile 713 522 8471

www.thearbitragegroup.com

November 13, 2013

Louisiana Local Government Environmental Facilities
and Community Development Authority
Baton Rouge, Louisiana

Southeastern Louisiana University
Hammond, Louisiana

Jones Walker LLP
Baton Rouge, Louisiana

Stephens, Inc.
Baton Rouge, Louisiana

The Bank of New York Mellon Trust Company, N.A.
Baton Rouge, Louisiana

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES INC. PROJECT)
SERIES 2013**

Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority") proposes to issue the above referenced bonds (the "Bonds") which are dated and will be delivered on November 13, 2013. The Bonds consist of \$36,445,000 Serial Bonds and \$4,465,000 Term Bonds due August 1, 2026.

A portion of the proceeds of the Bonds will be used to purchase United States Treasury Securities -- State and Local Government Series (the "Restricted Acquired Obligations") which will be placed in an irrevocable trust together with an initial cash deposit to be used solely to refund that portion of the Authority's Southeastern Louisiana Student Housing/University Facilities, Inc. Project Series 2004A (the "Refunded Bonds") described as follows:

Louisiana Local Government Environmental Facilities
and Community Development Authority

November 13, 2013

Page 2

| <u>Series</u> | <u>Original Amount Issued</u> | <u>Dated Date</u> | <u>Amount to be Refunded</u> | <u>Maturities and Sinking Fund Dates to be Refunded</u> | <u>Maturities and Sinking Fund Dates to be Optionally Redeemed</u> | <u>Optional Redemption Date and Price</u> |
|---------------|---------------------------------------|-------------------|--------------------------------------|---|--|---|
| 2004A | \$60,985,000 | 08-01-2004 | \$52,230,000 | 08-01-2014 - 08-01-2031, Inclusive | 08-01-2015 - 08-01-2031, Inclusive | 08-01-2014 @ 100% |

At your request, we have independently verified the arithmetical accuracy of the computations provided to us by Stephens, Inc. which indicate: (1) the sufficiency of the receipts from the Restricted Acquired Obligations together with an initial cash deposit to pay to and at early redemption the principal of and interest on the Refunded Bonds; and, (2) the "yields" to be considered by bond counsel in its determination that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended. The term "yield," as used herein, means that discount rate which, when used in computing the present value of all payments of principal and interest on an obligation compounded semiannually using a 30/360-day year basis, produces an amount equal to: in the case of the Restricted Acquired Obligations, the purchase price of such securities; and, in the case of the Bonds, the Issue Price to the Public. For purposes of calculating the yield on the Bonds, Bonds maturing August 1, 2024 with a coupon rate of 4.500% and Bonds maturing August 1, 2024 with a coupon rate of 5.000% are treated as redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%, which produces the lowest yield on the Bonds.

The original computations, along with certain assumptions and information, were furnished to us by Stephens, Inc. on behalf of the Authority. We have relied solely on the assumptions and information provided to us and have not made any study or evaluation of them, except as noted below. We express no opinion on the reasonableness of the assumptions, or the likelihood that the debt service requirements of the Refunded Bonds will be paid as described in the accompanying Exhibits.

In the course of our engagement, we were furnished by Stephens, Inc. with the Official Statement for the Refunded Bonds, the Official Statement for the Bonds and copies of the initial and final subscription forms for the purchase of the Restricted Acquired Obligations. We understand that the initial subscription form was filed on November 5, 2013. We compared the information contained in the schedules provided by Stephens, Inc. with certain information set forth in such documents with respect to prices, principal payment dates and amounts, interest payment dates and rates, yields, and redemption dates and prices. We found that the information contained in such schedules provided to us by Stephens, Inc. was in agreement with the above-mentioned information set forth in such documents. In addition, we have verified that, based upon the table of interest rates payable on United States Treasury Securities -- State and Local Government Series for use on November 5, 2013, the interest rates payable on the Restricted Acquired Obligations are at or below the maximum allowable interest rate for each maturity date.

Louisiana Local Government Environmental Facilities
and Community Development Authority
November 13, 2013
Page 3

In our opinion, based on the assumptions and information provided by Stephens, Inc. on behalf of the Authority, the computations in the schedules provided to us are arithmetically accurate. The computations in the accompanying Exhibits prepared by us and the comparable schedules provided to us indicate that:

- (1) the receipts from the Restricted Acquired Obligations together with an initial cash deposit of \$0.18 will be sufficient to pay to and at early redemption the principal of and interest on the Refunded Bonds; and,
- (2) the yield of the Bonds, assuming Bonds maturing August 1, 2024 with a coupon rate of 4.500% and Bonds maturing August 1, 2024 with a coupon rate of 5.000% are treated as redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%, is 3.129333% and the yield of the Restricted Acquired Obligations is 0.089372%.

The terms of our engagement are such that we have no obligation to update this report or to verify any revised computation because of events and transactions occurring subsequent to the date of this report. This report is issued solely for your information and assistance in connection with the issuance of the Bonds. This report is not to be quoted or referred to without our prior written consent.

Very truly yours,

The Arbitrage Group, Inc.

Exhibits

- A. Sources and Uses of Funds
- B. Escrow Cash Flow
- C-1. Debt Service Requirements of the Refunded Bonds to Maturity
- C-2. Debt Service Requirements of the Refunded Bonds to Early Redemption
- D. Receipts from Restricted Acquired Obligations and Proof of Yield
- E. Debt Service Requirements of the Bonds to Maturity
- F. Debt Service Requirements and Proof of Yield on the Bonds Assuming Certain Early Redemptions
- G. Computation of Net Original Issue Premium

Sources and Uses of Funds

Louisiana Local Government Environmental Facilities and Community Development Authority

SOURCES

| | |
|---|-----------------|
| Principal Amount of the Bonds | \$40,910,000.00 |
| Net Original Issue Premium | 3,314,138.35 |
| Transfer from Prior Debt Service Fund | 1,116,134.38 |
| Transfer from Prior Debt Service Reserve Fund | 3,765,837.50 |
| Equity Contribution | 7,500,000.00 |
| Transfer from Prior Project Fund | 762,582.09 |
| | <hr/> |
| | \$57,368,692.32 |
| | <hr/> <hr/> |

USES

| | |
|---|-----------------|
| Purchase Price of Restricted Acquired Obligations | \$54,700,058.00 |
| Initial Cash Deposit | 0.18 |
| Deposit to Debt Service Reserve Fund | 2,045,500.00 |
| Costs of Issuance | 321,610.75 |
| Underwriter's Discount | 296,597.50 |
| Contingency | 4,925.89 |
| | <hr/> |
| | \$57,368,692.32 |
| | <hr/> <hr/> |

Escrow Cash Flow

*Louisiana Local Government Environmental Facilities
and Community Development Authority*

| <u>Date</u> | <u>Beginning Cash Balance</u> | <u>Receipts from Restricted Acquired Obligations</u> | <u>Debt Service Requirements of the Refunded Bonds to Early Redemption</u> | <u>Ending Cash Balance</u> |
|-------------|---------------------------------------|--|--|------------------------------------|
| 11/13/13 | \$0.18 | | | \$0.18 |
| 02/01/14 | \$0.18 | \$1,252,269.33 | \$1,252,268.75 | \$0.76 |
| 08/01/14 | \$0.76 | 53,482,267.99 | 53,482,268.75 | \$0.00 |
| | | <u>\$54,734,537.32</u> | <u>\$54,734,537.50</u> | |

Debt Service Requirements of the Refunded Bonds to Maturity

*Louisiana Local Government Environmental Facilities
and Community Development Authority*

| Date | Principal | Coupon Rate | Interest | Debt Service Requirements of the Refunded Bonds to Maturity |
|----------|----------------|-------------|----------------|---|
| 02/01/14 | | | \$1,252,268.75 | \$1,252,268.75 |
| 08/01/14 | \$1,960,000.00 | 4.000% | 1,252,268.75 | 3,212,268.75 |
| 02/01/15 | | | 1,213,068.75 | 1,213,068.75 |
| 08/01/15 | 2,040,000.00 | 5.000% | 1,213,068.75 | 3,253,068.75 |
| 02/01/16 | | | 1,162,068.75 | 1,162,068.75 |
| 08/01/16 | 2,140,000.00 | 4.000% | 1,162,068.75 | 3,302,068.75 |
| 02/01/17 | | | 1,119,268.75 | 1,119,268.75 |
| 08/01/17 | 2,230,000.00 | 4.000% | 1,119,268.75 | 3,349,268.75 |
| 02/01/18 | | | 1,074,668.75 | 1,074,668.75 |
| 08/01/18 | 2,320,000.00 | 4.100% | 1,074,668.75 | 3,394,668.75 |
| 02/01/19 | | | 1,027,108.75 | 1,027,108.75 |
| 08/01/19 | 2,415,000.00 | 4.200% | 1,027,108.75 | 3,442,108.75 |
| 02/01/20 | | | 976,393.75 | 976,393.75 |
| 08/01/20 | 2,515,000.00 | 5.250% | 976,393.75 | 3,491,393.75 |
| 02/01/21 | | | 910,375.00 | 910,375.00 |
| 08/01/21 | 2,645,000.00 | 5.250% | 910,375.00 | 3,555,375.00 |
| 02/01/22 | | | 840,943.75 | 840,943.75 |
| 08/01/22 | 2,785,000.00 | 4.500% | 840,943.75 | 3,625,943.75 |
| 02/01/23 | | | 778,281.25 | 778,281.25 |
| 08/01/23 | 2,910,000.00 | 5.250% | 778,281.25 | 3,688,281.25 |
| 02/01/24 | | | 701,893.75 | 701,893.75 |
| 08/01/24 | 3,060,000.00 | 5.250% | 701,893.75 | 3,761,893.75 |
| 02/01/25 | | | 621,568.75 | 621,568.75 |
| 08/01/25 | 3,225,000.00 | 4.750% | 621,568.75 | 3,846,568.75 |
| 02/01/26 | | | 544,975.00 | 544,975.00 |
| 08/01/26 | 3,375,000.00 | 5.000% | 544,975.00 | 3,919,975.00 |
| 02/01/27 | | | 460,600.00 | 460,600.00 |
| 08/01/27 | 3,545,000.00 | 5.000% | 460,600.00 | 4,005,600.00 |
| 02/01/28 | | | 371,975.00 | 371,975.00 |
| 08/01/28 | 3,720,000.00 | 4.750% | 371,975.00 | 4,091,975.00 |
| 02/01/29 | | | 283,625.00 | 283,625.00 |

Debt Service Requirements of the Refunded Bonds to Early Redemption

Louisiana Local Government Environmental Facilities and Community Development Authority

| <u>Date</u> | <u>Principal</u> | <u>Coupon Rate</u> | <u>Interest</u> | <u>Debt Service Requirements of the Refunded Bonds to Early Redemption</u> |
|-------------|------------------------|--------------------|-----------------------|--|
| 02/01/14 | | | \$1,252,268.75 | \$1,252,268.75 |
| 08/01/14 | \$52,230,000.00 | * | 1,252,268.75 | 53,482,268.75 |
| | <u>\$52,230,000.00</u> | | <u>\$2,504,537.50</u> | <u>\$54,734,537.50</u> |

* Coupon rates are as shown in the Debt Service Requirements of the Refunded Bonds to Maturity.

Receipts from Restricted Acquired Obligations and Proof of Yield

*Louisiana Local Government Environmental Facilities
and Community Development Authority*

| <u>Date</u> | <u>Principal</u> | <u>Coupon Rate</u> | <u>Interest</u> | <u>Receipts from Restricted Acquired Obligations</u> | <u>Present Value of Future Receipts at 11/13/13 Using a Rate of 0.089372%</u> |
|-------------|------------------------|------------------------|--------------------|--|---|
| 02/01/14 | \$1,252,187.00 | 0.030% | \$82.33 | \$1,252,269.33 | \$1,252,026.91 |
| 08/01/14 | 53,447,871.00 | 0.090% | 34,396.99 | 53,482,267.99 | 53,448,031.09 |
| | <u>\$54,700,058.00</u> | | <u>\$34,479.32</u> | <u>\$54,734,537.32</u> | <u>\$54,700,058.00</u> |
| | | | | | |
| | | | | Purchase Price of Restricted Acquired Obligations | <u>\$54,700,058.00</u> |

Debt Service Requirements of the Bonds to Maturity

Louisiana Local Government Environmental Facilities and Community Development Authority

| Date | \$36,445,000 Serial Bonds | | | \$4,465,000 Term Bonds @ 4.000% due 08-01-2026 | | Debt Service Requirements of the Bonds to Maturity |
|----------|------------------------------|----------------|------------------------|---|-----------------------|---|
| | Principal | Coupon Rate | Interest | Principal | Interest | |
| 02/01/14 | | | \$343,977.29 | | \$38,696.67 | \$382,673.96 |
| 08/01/14 | \$2,685,000.00 | * | 793,793.75 | | 89,300.00 | 3,568,093.75 |
| 02/01/15 | | | 763,443.75 | | 89,300.00 | 852,743.75 |
| 08/01/15 | 2,750,000.00 | 3.000% | 763,443.75 | | 89,300.00 | 3,602,743.75 |
| 02/01/16 | | | 722,193.75 | | 89,300.00 | 811,493.75 |
| 08/01/16 | 2,855,000.00 | 4.000% | 722,193.75 | | 89,300.00 | 3,666,493.75 |
| 02/01/17 | | | 665,093.75 | | 89,300.00 | 754,393.75 |
| 08/01/17 | 2,970,000.00 | 4.000% | 665,093.75 | | 89,300.00 | 3,724,393.75 |
| 02/01/18 | | | 605,693.75 | | 89,300.00 | 694,993.75 |
| 08/01/18 | 3,105,000.00 | 5.000% | 605,693.75 | | 89,300.00 | 3,799,993.75 |
| 02/01/19 | | | 528,068.75 | | 89,300.00 | 617,368.75 |
| 08/01/19 | 3,265,000.00 | 5.000% | 528,068.75 | | 89,300.00 | 3,882,368.75 |
| 02/01/20 | | | 446,443.75 | | 89,300.00 | 535,743.75 |
| 08/01/20 | 3,415,000.00 | 5.000% | 446,443.75 | | 89,300.00 | 3,950,743.75 |
| 02/01/21 | | | 361,068.75 | | 89,300.00 | 450,368.75 |
| 08/01/21 | 3,585,000.00 | 5.000% | 361,068.75 | | 89,300.00 | 4,035,368.75 |
| 02/01/22 | | | 271,443.75 | | 89,300.00 | 360,743.75 |
| 08/01/22 | 3,775,000.00 | 5.000% | 271,443.75 | | 89,300.00 | 4,135,743.75 |
| 02/01/23 | | | 177,068.75 | | 89,300.00 | 266,368.75 |
| 08/01/23 | 3,935,000.00 | * | 177,068.75 | | 89,300.00 | 4,201,368.75 |
| 02/01/24 | | | 96,587.50 | | 89,300.00 | 185,887.50 |
| 08/01/24 | 4,105,000.00 | * | 96,587.50 | | 89,300.00 | 4,290,887.50 |
| 02/01/25 | | | | | 89,300.00 | 89,300.00 |
| 08/01/25 | | | | \$4,295,000.00 | 89,300.00 | 4,384,300.00 |
| 02/01/26 | | | | | 3,400.00 | 3,400.00 |
| 08/01/26 | | | | 170,000.00 | 3,400.00 | 173,400.00 |
| | <u>\$36,445,000.00</u> | | <u>\$10,411,983.54</u> | <u>\$4,465,000.00</u> | <u>\$2,099,396.67</u> | <u>\$53,421,380.21</u> |

* Coupon rates are as shown in the Computation of Net Original Issue Premium (Exhibit G).

Computation of Net Original Issue Premium

Louisiana Local Government Environmental Facilities and Community Development Authority

| <u>Date</u> | <u>Principal</u> | <u>Coupon Rate</u> | <u>Yield</u> | <u>Price</u> | <u>Purchase Price</u> | <u>Accrued Interest</u> | <u>Original Issue Premium/(Discount)</u> |
|-------------|------------------------|------------------------|--------------|--------------|---------------------------|-----------------------------|--|
| 08/01/14 | \$1,985,000.00 | 2.000% | 0.600% | 100.999% | \$2,004,830.15 | \$0.00 | \$19,830.15 |
| 08/01/14 | 700,000.00 | 3.000% | 0.600% | 101.713% | 711,991.00 | 0.00 | 11,991.00 |
| 08/01/15 | 2,750,000.00 | 3.000% | 0.870% | 103.620% | 2,849,550.00 | 0.00 | 99,550.00 |
| 08/01/16 | 2,855,000.00 | 4.000% | 1.150% | 107.599% | 3,071,951.45 | 0.00 | 216,951.45 |
| 08/01/17 | 2,970,000.00 | 4.000% | 1.500% | 109.002% | 3,237,359.40 | 0.00 | 267,359.40 |
| 08/01/18 | 3,105,000.00 | 5.000% | 1.900% | 113.919% | 3,537,184.95 | 0.00 | 432,184.95 |
| 08/01/19 | 3,265,000.00 | 5.000% | 2.380% | 113.922% | 3,719,553.30 | 0.00 | 454,553.30 |
| 08/01/20 | 3,415,000.00 | 5.000% | 2.780% | 113.512% | 3,876,434.80 | 0.00 | 461,434.80 |
| 08/01/21 | 3,585,000.00 | 5.000% | 3.140% | 112.654% | 4,038,645.90 | 0.00 | 453,645.90 |
| 08/01/22 | 3,775,000.00 | 5.000% | 3.380% | 112.137% | 4,233,171.75 | 0.00 | 458,171.75 |
| 08/01/23 | 2,045,000.00 | 3.250% | 3.570% | 97.388% | 1,991,584.60 | 0.00 | (53,415.40) |
| 08/01/23 | 1,890,000.00 | 5.000% | 3.570% | 111.648% | 2,110,147.20 | 0.00 | 220,147.20 |
| 08/01/24 | 305,000.00 | 3.500% | 3.720% | 98.066% | 299,101.30 | 0.00 | (5,898.70) |
| 08/01/24 | 1,500,000.00 | 4.500% | 3.720%* | 106.306% | 1,594,590.00 | 0.00 | 94,590.00 |
| 08/01/24 | 2,300,000.00 | 5.000% | 3.720%* | 110.352% | 2,538,096.00 | 0.00 | 238,096.00 |
| 08/01/26 | 4,465,000.00 | 4.000% | 4.125% | 98.767% | 4,409,946.55 | 0.00 | (55,053.45) |
| | <u>\$40,910,000.00</u> | | | | <u>\$44,224,138.35</u> | <u>\$0.00</u> | <u>\$3,314,138.35</u> |

* Yields are calculated to early redemption dates and for purposes of calculating the yield on the Bonds, these Bonds are treated as redeemed on the early redemption date of August 1, 2023 at an early redemption price of 100%.

GENERAL CERTIFICATE OF THE AUTHORITY

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013**

I, the undersigned Executive Director of the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Authority*”) do hereby certify and covenant as follows:

1. I am the duly appointed, qualified and acting Executive Director of the Authority and as such official is familiar with and has access to the books and corporate records of the Authority.

2. The persons named below are the duly appointed and qualified members of the Executive Committee and are presently serving terms which will expire as indicated to the right of their respective names:

| <u>Executive Committee</u> | <u>Office</u> | <u>Expiration of Term</u> |
|----------------------------|---------------------|---------------------------|
| William A. Lazaro, Jr. | Chairman | December 31, 2013 |
| Lynn Austin | Vice-Chair | December 31, 2013 |
| Mayor Billy D’Aquila | Secretary-Treasurer | December 31, 2013 |
| Mary S. Adams | Member | December 31, 2013 |
| Julian E. Dufreche | Member | December 31, 2014 |
| Mack Delafosse | Member | December 31, 2015 |
| Mayor David Camardelle | Member | December 31, 2016 |

3. The persons set forth in Exhibit A attached hereto are duly authorized officers for purposes of executing any and all documents, certificates, orders or writings with respect to the Bonds and holding the office stated opposite their respective names.

4. Attached hereto as Exhibit B is a true and correct copy of the Authority’s Amended and Restated By-Laws dated October 14, 2004 as amended on October 12, 2006, as the same are on file in the official records of the Authority and the same being in full force and effect as of the date of this certificate. The Authority duly approved the issuance of the Bonds

by adopting resolutions at meetings held on August 8, 2013 and October 10, 2013 (collectively, the “*Bond Resolution*”) at each of which a quorum was present.

5. The Executive Director and the Assistant Secretary by their manual or facsimile signatures duly executed and attested the execution of the \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013.

6. The Bonds are issued under and secured by that certain Trust Indenture dated as of August 1, 2004, as supplemented and amended by that certain First Supplemental Trust Indenture dated as of November 1, 2013, each by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee, (collectively, the “*Indenture*”). The proceeds of the Bonds will be loaned to University Facilities, Inc. (the “*Corporation*”) pursuant to a Loan and Assignment Agreement dated as of August 1, 2004, as supplemented and amended by a First Supplemental Loan and Assignment Agreement effective November 1, 2013 (the “*Loan Agreement*”) each by and between the Authority and the Corporation. The Bonds are dated November 13, 2013 and are numbered, bear interest and mature as set forth in the Indenture.

7. I hereby certify, to the best of my knowledge and belief, that:

(a) the representations, warranties and covenants of the Authority contained in the Loan Agreement are true and correct in all material respects and are complied with as of the date hereof; and

(b) the Authority has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied at or prior to this date.

8. As required by the Bond Purchase Agreement between the Authority, the Corporation and Stephens Inc. on its own behalf and on behalf of Raymond James and Associates, Inc. (the “*Bond Purchase Agreement*”) dated November 5, 2013, I hereby certify that:

(a) as of the date of the Bond Purchase Agreement, the information contained in the Authority Sections of the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make statements contained therein, in the light of the circumstances under which they were made, not misleading;

(b) at all times subsequent to the date of the Bond Purchase Agreement to and including this date, the information contained in the Authority sections of the Official Statement dated November 5, 2013 (the “*Official Statement*”) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make statements contained therein, in light of the circumstances under which they were made, not misleading; and

(c) to the best of our knowledge and belief, no litigation is pending or, to our knowledge threatened, to restrain or enjoin the execution and delivery of the Bonds, the Resolution, the Tax Regulatory Agreement and Arbitrage Certificate dated November 13, 2013 by and among the Board, the Issuer, the Trustee and the Corporation, the Indenture, the Loan Agreement or the existence or powers of the Authority or the right of the Authority to carry out the terms thereof, and the issuance of the Bonds and the execution and delivery of the other agreements contemplated by the Bond Purchase Agreement and by the Official Statement under the circumstances contemplated thereby and the compliance by the Authority with the provisions thereof will not conflict with or constitute on the part of the Authority a breach of or a default under the By-Laws, as amended, or any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, loan or other instrument to which the Authority is subject or by which it is bound.

9. All meetings of the Executive Committee of the Authority, including meetings at which action was taken with respect to the Bonds, have been open to the public in accordance with the provisions of Title 42 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 42:14). Meetings of the Executive Committee of the Authority are held in accordance with the call for the meetings issued by the Chairman.

10. All approvals required to be obtained pursuant to the Act by the Authority in connection with the issuance of the Bonds have been obtained and are in full force and effect as of the date hereof.

11. Any certificate signed by any officer of the Authority delivered to the Trustee or Stephens Inc. and Raymond James & Associates, Inc. shall be deemed a representation of the Authority to the Trustee or the Underwriters as to the statements made therein.

12. The official journal of the Authority is *The Advocate*, a daily newspaper published in the City of Baton Rouge and of general circulation in the City of Baton Rouge, Louisiana, having been so designated by resolution duly and legally adopted by the Executive Committee of the Authority.

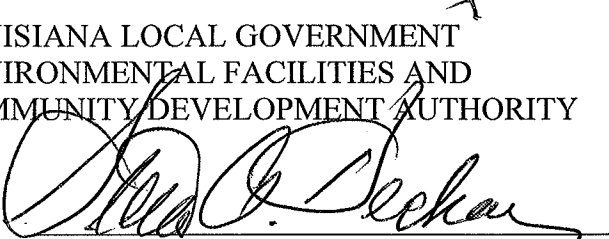
13. The seal affixed to this certificate and the Indenture and the Bonds is the official seal of the Authority.

14. The Authority has not pledged the Trust Estate (as defined in the Indenture) to secure any other debt of the Authority that would result in there being a pledge on the Trust Estate superior to or on a parity with the pledge created by the Indenture.

IN WITNESS WHEREOF, the undersigned has hereunto set the official seal of the Authority and his signature as of the 13th day of November, 2013.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By:



Steve A. Dicharry, Executive Director

[SEAL]

EXHIBIT A

**AUTHORIZED REPRESENTATIVES OF THE
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY**

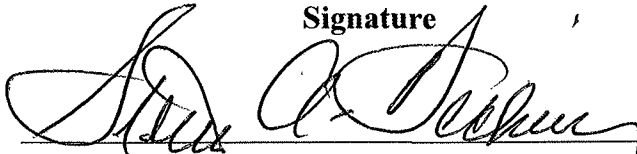
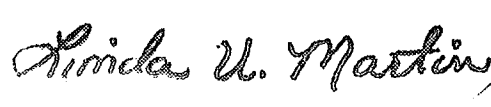
| Name | Office | Signature |
|-------------------|---------------------|--|
| Steve A. Dicharry | Executive Director |  |
| Linda U. Martin | Assistant Secretary |  |

EXHIBIT B
BYLAWS

AMENDED AND RESTATED
BYLAWS
OF
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
A POLITICAL SUBDIVISION OF THE
STATE OF LOUISIANA

DATED
OCTOBER 14, 2004

**BYLAWS OF THE
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY**

ARTICLE I - NAME, PURPOSE AND ACT

This organization, now known as the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), was created by Act 813 of the 1991 Regular Session of the Louisiana Legislature, enacted as La. R.S. 33:4548.1, et seq. ("Act 813"), was amended by Act 1151 of the 1997 Regular Session of the Louisiana Legislature ("Act 1151"), each of which Acts were authorized to be enacted by the state legislature by virtue of Section 19 of Article VI of the Louisiana Constitution of 1974, as amended (Act 813, Act 1151 and Section 19 of Article VI herein referred to collectively as the "Act"). For ease of reference and convenience, the Authority may be referred to as the "Louisiana Community Development Authority".

The Authority was created for the purposes of assisting political subdivisions in constructing, extending, rehabilitating, repairing, and renewing infrastructure, economic development and environmental facilities, and assisting in the financing of such needs by political subdivisions.

The Authority is generally governed by the Act. Individual powers and governing principles set forth in the Act may not be repeated herein. Terms not otherwise defined herein have the meaning attributed to such terms in the Act.

ARTICLE II - BOARD OF DIRECTORS

SECTION 1. Composition of the Board of Directors

- A. Each participating Political Subdivision shall appoint one director to the Board of Directors of the Authority in the manner set forth in the Act. Each director shall be appointed for a term of two years. There shall never be less than three members or directors serving on the board of directors. The participating Political Subdivision may remove its appointed director at any time, with or without cause, upon giving 30 days written notice to the Authority. Upon the expiration of the term of a director or his or her earlier resignation or removal from office, the participating Political

Subdivision shall select a successor director in the manner set forth in the Act.

- B. The Authority shall be governed by the Board of Directors. The Board of Directors shall exercise all of the authority conferred upon the Authority in the Act except for that authority expressly delegated to the Executive Committee herein. The authority so delegated to the Executive Committee shall be solely exercised by it without any need or requirement for any act or action of, or subsequent ratification by, the Board of Directors, and the exercise of such authority by the Executive Committee shall be binding in all respects upon the Authority and the Board of Directors, and may in all respects be relied upon by third parties.

SECTION 2. Meetings of the Board of Directors

- A. The Board of Directors shall have an annual meeting on or before November 1 of each year. The Executive Committee shall, at the beginning of each calendar year, set the date, time, and location of the annual meeting, and notice thereof shall be furnished to each director not less than thirty (30) days prior to the date set for such meeting and shall include an agenda. Upon the approval of two-thirds of the directors present, the Authority may take matters not included on the agenda. Such notice shall specify the date, time and location of each meeting and shall specify the purpose thereof and any action proposed to be taken. Such notice shall be provided to the director by mail to the address of such director as recorded in the office of the Authority. Special meetings of the Board of Directors shall be held at the request of the Chairman of the Executive Committee, a majority of the Executive Committee, or upon the written request of twenty-five (25) percent in number of the members of the Board of Directors. Notice of and the agenda for any special meeting of the Board of Directors shall be sent to each director not less than seven (7) days prior to the date of such meeting. All meetings of the Board of Directors shall be conducted in accordance with the Open Meetings Law.
- B. In cases of extraordinary emergency, special meetings of the Board of Directors may be called by the Chairman, the Executive Committee or upon the request of five (5) percent in number of the members of the Board of Directors and held at any time and place upon the same notice to the members of the Board of Directors as is required to be given to the public pursuant to the Open Meetings Law.
- C. A majority of the directors shall constitute a quorum of the Board of Directors. If a quorum shall fail to be present at any duly called meeting, the presiding officer may adjourn the meeting from time to time until a quorum is present. After a quorum has been established, it shall not be broken by withdrawal of any director.

SECTION 3. Voting

Each director shall be entitled to one (1) vote at any meeting of the Board of Directors of the Authority. All actions by and decisions of the Board of Directors shall be by vote of the majority of the directors entitled to vote which are present at a duly called meeting at which a quorum is present. No proxy voting or secret ballots shall be utilized, and all votes shall be by viva voce and recorded in the official written proceedings of the Authority.

ARTICLE III - OFFICERS OF THE BOARD OF DIRECTORS

SECTION 1. Officers of the Board of Directors

- A. The elective officers of the Board of Directors shall be a Chairman, a Vice Chairman, and a Secretary/Treasurer. These officers shall be elected annually by and from the voting members of the Board of Directors at the annual meeting of the Board of Directors. Subsequent to the initial election of officers, each elective officer shall take office on the January 1 immediately following his election, and effective with the election of officers in 2001, each elective officer shall serve for a term of one (1) year, or until his successor has been elected and has taken office. Officers may not be re-elected for successive terms in any one office. The Board of Directors may remove any elected officer for just cause, as defined by the Board. In the event of such removal or the resignation of an officer, the Board of Directors shall elect a replacement to fill such Director's unexpired term.

SECTION 2. Duties of Officers

- A. The Chairman of the Board of Directors shall be the elected head of the Authority and ex officio Chairman of the Executive Committee. He shall preside at all meetings of the Board of Directors and of the Executive Committee and shall perform all other duties incidental thereto.
- B. The Vice Chairman shall also be ex officio Vice Chairman of the Executive Committee and shall act in the Chairman's stead with the same authority and duties as the Chairman in the event that the Chairman is absent or otherwise unavailable.
- C. The Secretary/Treasurer shall also be ex officio Secretary/Treasurer of the Executive Committee and shall oversee the maintenance of the minutes of the meetings of the Board of Directors and the Executive Committee, the giving of all required notices of such meetings, the maintenance of all of the financial records of the Authority and, the disbursement of moneys and assets of the Authority.

- D. The Executive Director shall have general supervision over and be in administrative charge of the affairs of the Authority, including the conduct of business and maintenance of the office of the Authority, and shall perform all the duties incident to his position and office. Except otherwise provided by resolution of the Executive Committee, the Executive Director shall make final certification for payment of all duly authenticated and authorized items of expenditures for payment from any Authority Funds from whatever source derived, and shall also approve all checks, vouchers, payrolls and requisitions before signing, or submission thereof for signature by any persons authorized to sign, the same. The Executive Director, with the oversight of the Secretary/Treasurer, shall keep a record of the proceedings of the Authority and shall be custodian of all books, documents and records filed with the Authority and of the minutes of the Authority of its official seal.

ARTICLE IV - EXECUTIVE COMMITTEE

SECTION 1. Establishment of Executive Committee

- A. There is hereby established an Executive Committee of the Board of Directors to be composed of seven members of the Board of Directors, consisting of the three officers of the Board of Directors, who shall serve on the Executive Committee as ex officio members for as long as they remain officers of the Board of Directors of the Authority, and four other members elected at the annual meeting of the Board of Directors (after the election of officers) from the voting members of the Directors. Effective with the election in 2001, the four at-large members of the Executive Committee shall be elected as follows: one member shall be elected for a term of one (1) year; one member shall be elected for a term of two (2) years; one member shall be elected for a term of three (3) years; and, one member shall be elected for a term of four (4) years. An at-large member shall not succeed himself in office as an at large member, and his successor shall be elected for a four year term. To ensure that all participating members are adequately represented, from time to time, on the Executive Committee, the Executive Committee shall appoint a nominating committee consisting of at least two (2) members of the Board of Directors to recommend a slate of candidates for election to the Executive Committee who will be representative of the participating members.
- B. The Board of Directors may remove a member of the Executive Committee for just cause at any special or emergency meeting called for that purpose. If an elected member of the Executive Committee is removed for cause or resigns during the term for which he was elected as a member of the Executive Committee, the Board of Directors shall elect a replacement to fill such Executive Committee member's unexpired term. If an officer of the Board of Directors is removed from office, his

replacement shall serve on the Executive Committee for the officer's unexpired term.

- C. Subsequent to the initial election of Directors to the Executive Committee, each Director elected to the Executive Committee shall take office on the January 1 immediately following their election.
- D. Upon expiration of the term of a member of the Executive Committee who has not been replaced, such member shall continue to serve until so replaced.
- E. The Executive Committee shall provide a written report to the Board of Directors for review at its annual meeting setting forth a summary of activity, programs and financial condition of the Authority. Minutes of all Executive Committee meetings shall be made available to any Board of Directors member upon request.

SECTION 2. Meetings of the Executive Committee

- A. The Executive Committee shall meet at least four (4) times per year, and more often if called by the Chairman, at the principal office of the Authority or at such other location as may be acceptable to a majority of the Executive Committee members. The Chairman of the Executive Committee shall set the date, time and location of each meeting, and notice thereof and an agenda shall be furnished to each member of the Executive Committee not less than two (2) calendar days prior to the date of such meeting. Executive Committee meetings shall be held in accordance with the Open Meetings Law. Such notice shall specify the date, time and location of such meeting and may specify the purpose thereof and any action proposed to be taken. Such notice shall be directed to the committee member by mail to the address of such committee member as recorded in the office of the Authority. Special meetings of the Executive Committee shall be held at the request therefor by the Chairman of the Executive Committee or a majority of the Executive Committee. Notice of any special meeting of the Executive Committee shall be sent to each committee member not less than one (1) calendar day prior to the date of such meeting. Each director shall be given notice of Executive Committee meetings in the same manner if so requested in writing.
- B. Four (4) members of the Executive Committee shall constitute a quorum. If a quorum shall fail to be present at any duly called meeting, the presiding officer may continue the meeting until a quorum is present. After a quorum has been established, it shall not be broken by withdrawal of any member.

SECTION 3. Voting

Each member of the Executive Committee shall be entitled to one (1) vote. All actions by and decisions of the Executive Committee shall be by vote of not less than a majority of the Executive Committee members present and voting. No proxy voting or secret ballots shall be utilized, and all votes shall be by viva voce and recorded in the official written proceedings of the Executive Committee, with a copy thereof placed in the official proceedings of the Authority.

SECTION 4. Powers and Authority of the Executive Committee

- A. Pursuant to and as authorized by the Act, the Board of Directors in addition to the other duties and powers delegated herein, hereby delegates to the Executive Committee the authority to exercise the powers of the Authority specified in R.S. 33:4548.5A (1) through (23), 33:4548.6, R.S. 33:4548.8, R.S. 33:4548.14 and R.S. 33:4548.15.
- B. The Executive Committee on behalf of and for the benefit of the Authority may enter into local service agreements with the participating political subdivisions through which such political subdivisions may agree to share in the costs of operating the Authority and to pay such charges and fees as may be imposed by the Executive Committee.
- C. The Executive Committee may exercise the authority conferred by these Bylaws without any need or requirement for any act or action of, or subsequent ratification by, the Board of Directors, and in the exercises of such authority by the Executive Committee it shall bind in all respects the Authority and the Board of Directors, and in all respects such exercises of authority by the Executive Committee may be relied upon by third parties.
- D. The Executive Committee may appear and seek approval of the State Bond Commission for the issuance of bonds of the Authority as provided for in R.S. 33:4548.9.
- E. In addition, the Executive Committee is hereby delegated such further authority as may be necessary and incidental to the authority herein delegated to effectuate and exercise its authority including, but not limited to the adoption of necessary rules and regulations for the conduct of its affairs.
- F. The Executive Committee shall have the sole authority to decide which Authorized Projects, as such term is defined in R.S. 33:4548.3(B), shall be undertaken by the Authority and to determine all of the terms, conditions and provisions of such

Authorized Projects.

- G. It is the intent of this Section to vest in the Executive Committee sole authority to make all decisions, to take all actions and to enter into all contracts, agreements and instruments on behalf of the Authority as those certain powers are specified herein. Any action taken or decision made on behalf of the Authority shall be evidenced by resolution adopted by the Executive Committee. No other approvals or consents shall be necessary to bind the Authority with respect to any action or decision of the Executive Committee.

SECTION 5. Execution of Documents

A copy of the resolution adopted by the Executive Committee certified by the Chairman or Secretary-Treasurer of the Executive Committee (or such officers of the Authority designated in writing by the Chairman or Secretary-Treasurer of the Executive Committee) shall be evidence of the action of the Executive Committee and the Authority and any such certified resolution or other instrument so signed shall conclusively be presumed to be authentic. Likewise, all facts and matters stated therein shall conclusively be presumed to be true.

SECTION 6. Reporting

The Executive Committee shall be responsible for and shall cause to be filed such annual or other periodic audits, reports and disclosures as may be required from time to time pursuant to applicable federal or state statutes or regulations.

ARTICLE V - MISCELLANEOUS

SECTION 1. Directors' and Officers' Liabilities

- A. No director or officer shall be liable for any claims resulting from any act or omission in connection with his duties as a member of the Board of Directors or Executive Committee of the Authority, or as an officer of the Board of Directors, except for claims resulting from the gross negligence or willful misconduct of such director or officer. The Executive Committee is hereby authorized and empowered to obtain, at the expense of the Authority, liability insurance fully protecting the respective directors, officers, employees, agents and the Authority from any loss or expense incurred, including reasonable attorney's fees, as a result of acts or omissions of the directors, officers, employees and agents. The Authority hereby agrees to save, hold harmless and indemnify each director, officer, employee and agent from any loss, damage or expense (including attorneys fees) incurred by said

persons while acting in their official capacity or by reason of the fact the said person is or was a director, officer, employee or agent of the Authority, unless such loss, damage or expense was caused by the bad faith or gross negligence or willful misconduct of such director, officer, employee or agent. The termination of any civil or criminal action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person acted other than in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Authority nor with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

- B. Any indemnification under this Section 1 of this Article shall be made by the Authority only as authorized in the specific case upon a determination that indemnification of the officer, director and employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in this Section 1 of this Article. Such determination shall be made (a) by the Executive Committee by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion: provided, however, that if a director, officer, employee or agent of the Authority has been successful on the merits or otherwise in defense of any action, suit or proceeding, or in defense of any claim, issue or matter therein, he shall automatically be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith without the necessity of any such determination that he has met the applicable standard of conduct set forth in this Section 1 of this Article.

SECTION 2. Reliance on Counsel's Opinion

The Board of Directors, the Executive Committee and the officers may employ and consult with legal counsel concerning any questions which may arise with reference to the duties and powers or with reference to any other matter pertaining to the operation of the Authority; and the opinion of such counsel shall be full and complete authorization and protection in respect to any action taken or suffered by the directors, the Executive Committee and the officers hereunder in good faith in accordance with the opinion of such counsel, and the Board of Directors, the Executive Committee, and the officers shall not be liable therefor.

SECTION 3. Amendments to Bylaws

These bylaws may be amended in writing at any time by the concurrence of no less than two thirds (2/3) of the voting members of the Board of Directors present at a duly called meeting at which a quorum is present. The notice of such meeting must state that one of the purposes of the meeting is to consider the amendment of these bylaws and must generally state

the substance of such proposed amendment. These bylaws may not be amended so as to permit the diversion or application of any of the assets of the Authority for any purpose other than those specified herein or in the Act or which would impair any contractual obligations. The Board of Directors, upon adoption of or amendment to these bylaws, shall send a copy of any such amendment to the participating political subdivisions of the Authority.

SECTION 4. Termination of Membership in the Authority.

Except as noted below, an Authority member may terminate its participation in the Authority upon thirty (30) days written notice to the Chairman of the Board of Directors. An Authority member shall not be permitted to terminate its participation in the Authority so long as such Authority member is obligated to repay an outstanding obligation to the Authority; provided such obligation has been lawfully approved by such member.

SECTION 5. Principal Office of the Authority

The books and records pertaining to the Authority and its administration shall be kept and maintained at the office of the Authority.

SECTION 6. Additional Committees

- A. The Executive Committee may from time to time appoint such other committees with such membership as the Executive Committee may determine necessary or appropriate. Such committees may be composed in whole or in part of persons who are not members of the Board of Directors.
- B. The Executive Committee shall appoint a Chairman's Advisory Committee consisting of at least one (1) member and not exceeding three (3) members. Such Committee shall consist of past Chairmen of the Board of Directors, and shall provide advice to the Executive Committee on any matters coming before it.

SECTION 7. Notices

Whenever under the Act or these bylaws notice is required or permitted to be given to the Directors or officers of the Authority, such notice may be given in writing by regular mail or by facsimile or electronic transmission, in either case addressed to such Director or officer at his address as shown on the books of the Authority. The time when such notice is so mailed or delivered via facsimile shall be deemed the time of the giving of such notice.

SECTION 8. Contracting for Services

The Authority was created to lower the borrowing costs of political subdivisions and beneficiaries through participation in Authority financings. By sharing the costs of

professional and other services negotiated at reasonable rates by the Authority, smaller financings undertaken through participation in Authority transactions can benefit directly and immediately. The Authority further recognizes the merit of independent review of proposed financial transactions to avoid self-dealing by professionals serving the Authority or its beneficiaries.

- A. The Executive Committee shall have the authority to contract with and hire professionals for the purpose of rendering legal, accounting, financial advisory, management and other services to the Authority and to pay such professionals for such services rendered to the Authority.
- B. The Executive Committee shall evaluate and determine fair and equitable compensation for legal services by reference to the Rules of Professional Conduct of the Louisiana State Bar Association, particularly, Rule 1.5 Fees. The fee schedules promulgated by the Attorney General of the State of Louisiana which describe the maximum fees allowed for services of bond counsel shall be complied with, but shall not be used to define or determine the amount of compensation for bond counsel services to the Authority.
- C. The Executive Committee shall evaluate and determine fair and equitable compensation for non-legal professionals in accordance with relevant industry standards, criteria and practice.

SECTION 9. Preliminary Review of Authority Transactions

The Executive Committee shall establish a procedure to review proposed Authority transactions for merit and shall have the authority to contract with independent financial advisors and such other professionals as it deems fit to evaluate and provide preliminary findings regarding the relative benefits of transactions proposed to the Authority, its members or to the beneficiaries of such transactions.

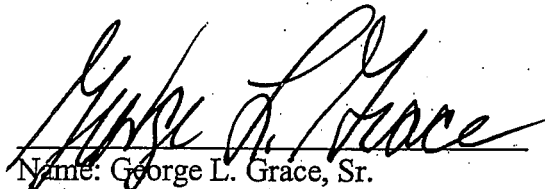
SECTION 10. Severability

Should any provision of these By-Laws be declared invalid or unlawful by a court of competent jurisdiction, the remaining provisions hereof shall remain in full force and effect and to that end, such invalid or unlawful provisions are hereby declared to be severable.

ARTICLE VI - DISTRIBUTION OF ASSETS
UPON FINAL DISSOLUTION

Upon final dissolution of the Authority, all assets shall be sold as determined by the Executive Committee, all debts and obligations of the Authority shall be paid, and all funds then remaining shall be distributed to the then current Authority members on an equal share basis.

IN WITNESS WHEREOF, the bylaws of the Authority have been executed on this 14th day of October, 2004.



Name: George L. Grace, Sr.
Title: Chair of LCDA Executive Committee

Attest:



Name: David C. Butler, II
Title: Secretary/Treasurer of LCDA
Executive Committee

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
and COMMUNITY DEVELOPMENT AUTHORITY**

MINUTES OF LCDA BOARD OF DIRECTORS

OCTOBER 12, 2006

A meeting of the Louisiana Local Government Environmental Facilities and Community Development Authority ("LCDA") Board of Directors was held on Thursday, October 12, 2006 at the Louisiana Municipal Association Office Building located at 700 N. 10th Street in Baton Rouge, with advance notices having been mailed to each member. The meeting was called for 11:00 a.m. in Meeting Room 2.

EXECUTIVE COMMITTEE MEMBERS PRESENT

Mayor David C. Butler
Ms. Mary S. Adams
Mr. William A. Lazaro
Mr. Mike Grimmer
Mr. M.E. "Toye" Taylor
Mayor David Riggins
Mr. Daniel Rawls

ADVISORY COMMITTEE MEMBERS PRESENT

Mr. Harold L. Cornett
Mayor George L. Grace

BOARD OF DIRECTORS PRESENT

Mr. Clarence Speed - Denham Springs
Mayor Earl R. Brown - Franklinton
Mr. David Camardelle - Grand Isle
Mr. Ronald P. Kemerly - Lake Charles
Mr. Jim Holland - Oak Grove
Mr. Reinhard Dearing - Slidell
Mr. Robert J. Scafidel - St. Bernard Port, Harbor Term. Dist.
Mayor Billy D'Aquila - St. Francisville
Mr. James R. Manuel - St. Landry Parish School Board
Mayor Danny J. Louviere - Sunset
Mayor Eddie Beckwith - Tallulah
Julian Dufreche - Tangipahoa Parish Clerk of Court
Mr. Thurman Davis - West Vernon Parish Waterworks Dist.
Mayor Jack Hammons - Winnsboro

OTHERS PRESENT

Charles Woeppel - St. Theresa Medical Complex, John Mayeax - Sisung Securities, Triche Aucoin - Crawford & Lewis, Lisa Maurer - McGlinchey Stafford, Becca McKeithen - Crews & Associates, Richard Williams - Crews & Associates, Carmen Iavergne - mcGlinchey Stafford, Don Allison - Advantous Consulting, Bill Boles - Boles Law Firm, Fred Chevalier - Jones Walker, Patti Dunbar - Jones Walker, Scott Zandel - Jones Walker, Jim Ryan - Govt. Consultants of LA, Richard Leibowitz - Breazeale, Sachse & Wilson, Kathy Pine - Bank of NY, John Poche - Morgan Keegan, Charlie Sides - Stephens, Inc.

CALL TO ORDER

Meeting was called to order by LCDA Chairman Mayor David Butler. A quorum was established, Mayor Butler asked everyone to introduce themselves. (14 of 28 members present)

1. MINUTES

Minutes of the LCDA Board of Directors' meeting of November 10, 2005, had previously been mailed to all

ADVISORY COMMITTEE MEMBERS ABSENT

Mr. Wayne Savoy - Calcasieu Ph. School Bd.

BOARD OF DIRECTORS ABSENT

Mr. Ronnie Hughes - Ascension Parish
Mr. Eric D. England - Caddo/Bossier Port Com.
Janet Holland - Claiborne Ph. School Bd.
Mayor Isabella de la Houssaye - Crowley
Mayor Joey Bouziga - Golden Meadow
Mayor Arthur L. Verret - Jeanerette
Raylyn Stevens - Jefferson Parish Sch. Bd.
Mr. Nick Nicolosi - Kenner
Mr. Charles Owens - Lincoln Ph. School Bd.
Ms. Derenda Flowers - Monroe City Sch. Bd.
Mr. Jimmy Fahrenholtz - Orleans Ph. Sch. Bd.
Mr. Frank Williams - Shrev., Downtown Dev.
Ms. Patee Prejean - Sulphur
Sheriff J. Austin Daniel - W. Feliciana Law Enf.

members, and copies were provided for review.

With no comments or corrections to the minutes to be brought to the Board, motion to accept the minutes of the LCDA Board of Directors' meeting of November 10, 2005, as presented was made by Mr. Jim Holland; seconded by Mayor Earl R. Brown; motion carried unanimously.

2. BUDGET REPORT

Mr. Steve Dicharry, Executive Director presented the budget report for the LCDA as of October, 2006, copies of which were provided for review. Motion to accept the LCDA budget report as of October, 2006 as presented was made by Mayor David Riggins; seconded by Ms. Mary S. Adams; motion carried unanimously.

3. NOMINATING COMMITTEE REPORT

Mayor David Riggins. stated that at September's Executive Committee meeting, a Nominating Committee was formed (consisting of Mayor David Butler, Mayor David Riggins and Ms. Mary Sue Adams). He then referred to the committee's report, whereby they reported the following:

The following are the nominations for the Board of Directors and Executive Committee members for 2007:

Board of Directors (& defacto Executive Committee) Officers:

Mr. M.E. "Toye" Taylor- Chairman of the Board of Directors & Executive Committee
Mr. William A. Lazaro, Jr. - Vice-Chairman of the Board of Directors and Executive Committee
Mr. Mike Grimmer - Secretary-Treasurer of the Board of Directors and Executive Committee

At Large Members & Chairs of the Committees of the Executive Committee:

Mr. Daniel Rawls
Mr. Julian Dufreche
Mayor Jack Hammons
Ms. Mary S. Adams.

Motion to accept the recommendation of the LCDA Nominating Committee as presented above was made by Mayor David Riggins; seconded by Mr. William A. Lazaro, Jr.; motion carried unanimously

4. ELECTION - MEMBERS OF THE EXECUTIVE COMMITTEE

A motion was made in conjunction with the previous motion, to elect the slate of officers and Executive Committee members as presented was made by Mr. William A. Lazaro, Jr.; seconded by Mayor David Riggins motion carried unanimously.

5. PROPOSED AMENDMENT TO BY-LAWS

Mr. Dicharry proposed that the follow change be made to the LCDA By-Laws.

Add Article III, Section 2 (E)

"E. There shall be an assistant Secretary of the Executive Committee who shall be appointed by the Executive Committee. The Assistant Secretary, in the absence of the Secretary/Treasurer and Executive Director are authorized to sign all documents on behalf of the Authority."

A motion for approval was made by Mr. Jim Holland, seconded by Mr. William A. Lazaro, Jr., and without objection, the motion carried.

5. UPDATE ON PROGRAMS

Mr. Steve Dicharry, LCDA Executive Director referred to the LCDA's brochure and stated that we all should be proud of the LCDA and reported that the LCDA continues to be the largest conduit issuer in the state, issuing over \$1.2 billion since its inception in late 1997.

6. PRESENTATION OF AWARD

Mr. M.E. "Toye" Taylor expressed thanks and appreciation for Mayor David Butler, II, Chairman of the Executive Committee for his years of service and dedication. At this point Mr. Taylor presented Mayor Butler with a plaque.

8. OTHER BUSINESS

Mr. Dicharry stated that lunch would be served following the meeting and then thanked Mr. Jack Brown of Casten & Pierce for hosting the lunch, and thanked all Board members for their attendance.

9. PUBLIC COMMENT

Mr. Gordon King of Government Consultants of LA gave a brief presentation with regard to GOZONE.

10. ADJOURNMENT

With no further business to come to the attention of the LCDA Board of Directors, motion to adjourn was made by Mayor Riggins; seconded by Mr. Holland; motion carried unanimously.

ATTEST:

SIGNED:

MR. STEVE A. DICHARRY
EXECUTIVE DIRECTOR

MAYOR DAVID C. BUTLER, II
CHAIRMAN

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

On the motion of D'Aquilla, seconded by Dufreche, the following resolution was adopted:

RESOLUTION

A RESOLUTION AUTHORIZING THE AUTHORITY TO PROCEED WITH THE ISSUANCE OF NOT TO EXCEED \$55,000,000 LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE REFUNDING BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) IN ONE OR MORE SERIES, ON BEHALF OF CAMPUS FACILITIES, INC. FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF THE ISSUER'S REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) SERIES 2004; AND TO OTHERWISE PROVIDE WITH RESPECT THERETO.

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority") is a political subdivision of the State of Louisiana established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the "LCDA Act"), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the "Refunding Act" and, together with the LCDA Act, the "Act"), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds, including refunding bonds, to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, the Authority, on August 13, 2004 issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”), the Authority’s \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and the Authority’s \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the “*Series 2004C Bonds*” and, together with the Series 2004A Bonds, the Series 2004B Bonds, the “*Series 2004 Bonds*”) on behalf of University Facilities Inc., a Louisiana non-profit corporation (the “*Corporation*”), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.

WHEREAS, the Corporation has requested that the Authority issue bonds to refund all or a portion of the Series 2004 Bonds in an amount not to exceed \$55,000,000 (the “*Refunding Bonds*”), such Refunding Bonds to be issued on a parity with any unrefunded portion of the Series 2004 Bonds;

WHEREAS, the University and the Corporation are also evaluating a conversion of the interest rate mode relating to the Series 2004B Bonds and the possibility of a conversion of the interest rate mode on such Series 2004B Bonds from an auction rate to a fixed rate (the “*Interest Rate Mode Conversion*”);

WHEREAS, it is desirable that the Executive Committee of the Authority (the “*Executive Committee*”) adopt a resolution approving the issuance of the Refunding Bonds for the purpose of (i) refunding all or a portion of the Series 2004 Bonds, (ii) funding a debt service reserve fund, if necessary, and (iii) paying costs of issuance of the Refunding Bonds, including the premiums

for a bond insurance policy and debt service reserve fund surety policy, if necessary; and approving the Interest Rate Mode Conversation; and

WHEREAS, the Authority desires to authorize the filing of an application with the Louisiana State Bond Commission (the "*Commission*") requesting that the Commission grant approval to the issuance of the Refunding Bonds in accordance with the Act.

NOW THEREFORE, BE IT RESOLVED by the Executive Committee of the Board of Directors of Louisiana Local Government Environmental Facilities and Community Development Authority, acting as the governing authority of said Authority, that:

SECTION 1. Pursuant to the authority of the Act, the refunding of all or a portion of the Series 2004 Bonds is hereby approved and the Executive Committee of the Authority does hereby authorize the issuance of the Authority's Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), in one or more series, in an aggregate amount not to exceed \$55,000,000 (the "*Refunding Bonds*"), such Refunding Bonds to mature not later than August 1, 2031 and bear interest at a rate not to exceed six percent (6%) per annum. The Refunding Bonds are to be secured by payments (the "*Payments*") under a loan agreement or similar financing agreement to be entered into by the Corporation on behalf of the University, which payments are payable by the Corporation from lease revenues of the Board payable from lawfully available funds of the University. The Payments will be assigned and pledged to the Authority for payment of principal of and interest on the Refunding Bonds on a parity with any unrefunded portions of the Series 2004 Bonds.

SECTION 2. It is further hereby approved and the Executive Committee of the Authority does hereby authorize the Interest Rate Mode Conversation.

SECTION 3. The officers and staff of the Authority are authorized and empowered to take any and all further action and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this resolution and to file, on behalf of the Authority, with any governmental board or entity having jurisdiction over the Refunding Bonds, such applications or requests for approval thereof as may be required by law.

SECTION 4. The Executive Committee does hereby authorize the filing of an application with the Louisiana State Bond Commission (the “*Commission*”) requesting approval of the issuance of the Refunding Bonds. By virtue of applicant/issuer’s application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission’s approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the “State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.”, adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 5. It is recognized, found and determined that a real necessity exists for the employment of Bond Counsel in connection with the issuance of the Refunding Bonds and accordingly, Jones Walker LLP, Baton Rouge, Louisiana, is hereby employed as Bond Counsel to the Authority to do and to perform comprehensive, legal and coordinate professional work with respect to the issuance and sale of the Refunding Bonds. Bond Counsel shall (i) prepare and submit to the Authority for adoption all of the proceedings incidental to the authorization, issuance, sale and delivery of the Refunding Bonds, (ii) counsel and advise the Authority with respect to the issuance and sale of the Refunding Bonds, and (iii) furnish their opinion covering the legality of the issuance thereof. The fee for bond counsel services to be paid Bond Counsel from Refunding Bond proceeds shall be (a) an aggregate amount less than the Attorney General’s then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time such Bonds are delivered, together with the reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Refunding Bonds, and (b) an hourly rate for legal work related to services not traditionally provided by bond counsel, if any, less than the Attorney

General's maximum hourly rates, as negotiated, together with the reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Refunding Bonds, said fee to be payable out of Refunding Bond proceeds subject to the Attorney General's written approval of said employment and fee as required by the Act.

SECTION 6. Raymond James & Associates, Inc. and Stephens Inc. are hereby employed as Co-Underwriter in connection with this transaction and the Chairman, Vice Chairman, Secretary, Executive Director or Assistant Secretary (each an "*Authorized Officer*") are hereby authorized to execute the contract for such employment.

SECTION 7. This Resolution does hereby incorporate by reference as though fully set out herein the provisions and requirements of the Act.

SECTION 8. This Resolution shall be published in one issue of the official journal of the Authority as soon as possible. The Refunding Bonds herein authorized shall be incontestable in the hands of bona fide purchasers thereof for value and no court shall have authority or jurisdiction to inquire into the legality thereof if the validity of the Refunding Bonds and the security therefor is not raised within thirty (30) days from the date of the publication of this Resolution.

SECTION 9. It is recognized and agreed that a real necessity exists for the employment of special counsel to serve as issuer counsel to the Authority to supervise the issuance of the Refunding Bonds and accordingly Breithaupt, Dunn, Dubos, Shafto & Wolleson, L.L.C. is hereby employed for such purposes. The fee to be paid for such services shall be an amount computed at an hourly rate to be negotiated less than the Attorney General's current Hourly Fee Schedule, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Refunding Bonds, and shall be payable by the Issuer from the proceeds of the Refunding Bonds.

SECTION 11. This Resolution shall become effective immediately upon its adoption.


This resolution having been submitted to a vote, the vote thereon was as follows:

| Executive Committee Member | Yea | Nay | Absent | Abstaining |
|--|------------|------------|---------------|-------------------|
| William A. Lazaro, Jr., Chairman | x | | | |
| Mr. Lynn Austin, Vice Chairman | x | | | |
| Mayor Billy D'Aquilla, Secretary-Treasurer | x | | | |
| Julian Dufreche | x | | | |
| Mack Delafosse | x | | | |
| Mary S. Adams | | | x | |
| Mayor David Camardelle | x | | | |

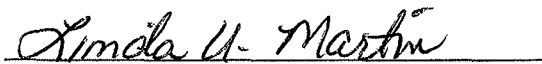
The Resolution was declared adopted on this 8th day of August, 2013.

(Other items of business not pertinent to the foregoing resolution may be found in the official minutes of the Executive Committee of the Authority.)

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY


Steve A. Dicharry, Executive Director

Attest:


Linda U. Martin, Assistant Secretary

[SEAL]

STATE OF LOUISIANA

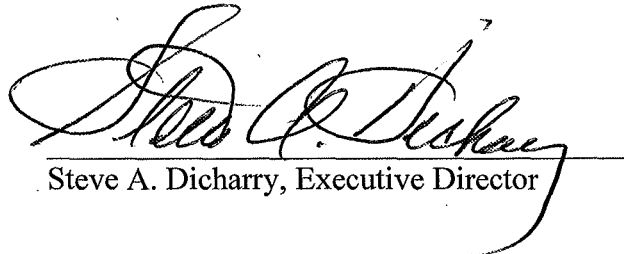
PARISH OF EAST BATON ROUGE

I, the undersigned Executive of Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that the foregoing pages constitute a true and correct copy of the proceedings taken by the Board of Directors of the Issuer on August 8, 2013, at a meeting at which a quorum was present and voting throughout, entitled:

A RESOLUTION AUTHORIZING THE AUTHORITY TO PROCEED WITH THE ISSUANCE OF NOT TO EXCEED \$55,000,000 LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE REFUNDING BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) IN ONE OR MORE SERIES, ON BEHALF OF CAMPUS FACILITIES, INC. FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF THE ISSUER'S REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) SERIES 2004; AND TO OTHERWISE PROVIDE WITH RESPECT THERETO.

I further certify that this resolution is in full force and effect.

IN FAITH WHEREOF, witness my official signature on this, the 13th day of November, 2013.



Steve A. Dicharry, Executive Director

[SEAL]

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY

On the motion of Dufreche and seconded by Camardelle the following resolution was adopted:

RESOLUTION

A RESOLUTION MAKING CERTAIN FINDINGS WITH RESPECT TO AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$55,000,000 LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE REFUNDING BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) IN ONE OR MORE SERIES, ON BEHALF OF UNIVERSITY FACILITIES, INC. FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF THE ISSUER'S REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) SERIES 2004; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE FIRST SUPPLEMENTAL TRUST INDENTURE AND THE FIRST SUPPLEMENTAL LOAN AND ASSIGNMENT AGREEMENT; AUTHORIZING OTHER DOCUMENTS, CERTIFICATES OR CONTRACTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE OFFICERS AND DIRECTORS OF THE AUTHORITY TO DO ALL THINGS NECESSARY TO EFFECTUATE THIS RESOLUTION.

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Authority*") is a political subdivision of the State of Louisiana established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the "*LCDA Act*"), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the "*Refunding Act*" and, together with the LCDA Act, the "*Act*"), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds, including refunding bonds, to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, the Authority, on August 13, 2004 issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), the Authority's \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and the

Authority's \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds and the Series 2004B Bonds, the "*Series 2004 Bonds*") on behalf of University Facilities Inc., a Louisiana non-profit corporation (the "*Corporation*"), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "*Facilities*") for Southeastern Louisiana University (the "*University*") located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "*Board*") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.

WHEREAS, the Corporation has requested that the Authority issue bonds to refund all or a portion of the Series 2004 Bonds in an amount not to exceed \$55,000,000 (the "*Bonds*"), such Bonds to be issued on a parity with any unrefunded portion of the Series 2004 Bonds;

WHEREAS, the Authority has adopted a resolution on August 8, 2013, authorizing the issuance of its not to exceed \$55,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) in one or more series (the "*Bonds*") pursuant to the Act for the purpose of refunding all or a portion of the Series 2004 Bonds;

WHEREAS, the proceeds of the sale of the Bonds shall be loaned to the Corporation pursuant to a First Supplemental Loan and Assignment Agreement (the "*Loan Agreement*") to be entered into by and between the Authority and the Corporation for the purpose of (a) refunding all or a portion of the Series 2004 Bonds; and (b) paying costs of issuance of the Bonds;

WHEREAS, the Bonds shall be secured by payments under the Loan Agreement which payments will be assigned and pledged to the Authority for payment of principal and interest on the Bonds;

WHEREAS, the Authority is authorized by the Act to secure its revenue bonds by a pledge of the income, revenues and receipts derived by or payable to the Authority under the Loan Agreement;

WHEREAS, the State Bond Commission (the "*Commission*") approved the issuance of the Bonds by the Authority at the Commission's September 19, 2013 meeting;

WHEREAS, rental payments from the Board, on behalf of the University, to the Corporation in amounts sufficient to pay annual debt service on the Bonds shall provide funds for the Board to make lease payments to the Corporation to enable it to make loan payments under the Loan Agreement to the Authority;

WHEREAS, the Authority and The Bank of New York Mellon Trust Company, N.A. (the "*Trustee*") will enter into a First Supplemental Trust Indenture (the "*Indenture*") pursuant to which the Authority's rights, duties and obligations under the Loan Agreement (except for certain rights of reimbursement of expenses, indemnification and exculpation, and rights to notices) shall be assigned by the Authority to the Trustee for the benefit and security of the present and future owners of the Bonds;

WHEREAS, in consideration of the loan by the Authority pursuant to the Loan Agreement, the Corporation will agree to make payments of principal and interest that will be sufficient to pay or reimburse the payment of the costs of issuance of the Bonds and principal of, interest and other charges relative to the Bonds;

WHEREAS, the Authority has determined that the sale of the Bonds to Stephens Inc. and Raymond James & Associates, Inc. (collectively, the "*Underwriter*"), and the use of the proceeds thereof to refund all or a portion of the Series 2004 Bonds will be in furtherance of the public purposes intended to be served by the Act;

WHEREAS, all consents and approvals required to be given by public bodies in connection with the authorization, issuance and sale of the Bonds as authorized by the Indenture and as required by the Act have been or will be secured prior to the delivery of the Bonds; and

WHEREAS, the Authority now desires to authorize the execution and delivery of: (i) the Loan Agreement, (ii) the Indenture; (iii) the Preliminary Official Statement; (iv) the Official Statement; (v) the Bond Purchase Agreement (herein defined); and (vi) all other documents, certificates and contracts

ancillary thereto and required in connection with the transaction contemplated hereby, to authorize the sale and delivery of the Bonds to the Underwriter within certain parameters set forth herein, to authorize the use and distribution of the Preliminary Official Statement and the Official Statement with respect to the Bonds, and to provide for the execution of all instruments, documents and certificates in connection therewith.

NOW, THEREFORE, be it resolved by the Executive Committee of the Board of Directors of the Louisiana Local Government Environmental Facilities and Community Development Authority, acting as the governing authority for said Louisiana Local Government Environmental Facilities and Community Development Authority, that:

SECTION 1. For the purpose of financing the Project, the Authority hereby authorizes the issuance of not to exceed \$55,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) in one or more series (the “*Bonds*”). The details of the Bonds and the other provisions of their issuance, security and payment shall be as set forth in the Indenture, said Indenture to be substantially in the form submitted at this meeting and filed with the official minutes of the Authority, with such additions, omissions and changes as may be approved by Bond Counsel to the Authority. The Bonds will be issued only as fully registered bonds in the denominations of \$5,000 or any integral multiple thereof. The Bonds shall mature not later than August 1, 2031, and shall bear interest at a fixed or variable rate not to exceed six percent (6%) per annum, all as provided in and subject to the terms and conditions of the Indenture, and shall be secured by payments under the Loan Agreement with the Corporation.

SECTION 2. The Bonds shall be secured pursuant to the Indenture by: (i) all right, title, and interest of the Authority in, to and under the Loan Agreement, the Ground Lease and the Facilities Lease (each as defined in the Loan Agreement), and (ii) moneys held in funds and accounts (other than the Rebate Fund) established pursuant to the Indenture (the “*Trust Estate*”). The Bonds shall be limited and

special obligations of the Authority payable solely from and secured by an assignment and pledge of the Trust Estate pursuant to the Indenture. No other assets of the Authority shall be available for payment of the principal of, premium, if any, or interest on the Bonds.

SECTION 3. The Bonds shall be sold and purchased pursuant to the terms of the Bond Purchase Agreement to be entered into by and between the Authority, the Underwriters and the Corporation, which will provide for the sale of the Bonds by the Authority to the Underwriters and which will be subject to completion to reflect the terms of the marketing and sale of the Bonds. The use and distribution of a Preliminary Official Statement is hereby approved and the use and distribution of an Official Statement is hereby approved in such form as approved by Bond Counsel and counsel to the Authority with such additions, omissions and changes as may be approved by Bond Counsel to the Authority.

SECTION 4. The forms and terms of the Indenture and the Loan Agreement are hereby approved in substantially the form submitted to the Authority, all of the provisions of which are hereby made a part of this resolution, with such additions, omissions and changes as may be approved by Bond Counsel and counsel to the Authority. The execution and delivery of all ancillary documents, certificates or contracts by the Authority, including the Bond Purchase Agreement, in such form as is acceptable to Bond Counsel and counsel to the Authority, is hereby approved.

SECTION 5. The Bonds are hereby awarded to the Underwriters, Stephens Inc. and Raymond James & Associates, Inc., or their designees, pursuant to the Bond Purchase Agreement to be entered into by and among the Authority, the Corporation and the Underwriters, provided that the parameters of the terms of the Bonds set forth in this resolution are not exceeded.

SECTION 6. The Bank of New York Mellon Trust Company, N.A. is hereby appointed and approved as Trustee under the Indenture.

SECTION 7. By virtue of applicant/issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves

that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the “State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.”, adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 8. The Chairman, Vice Chairman, Secretary-Treasurer, Executive Director or Assistant Secretary are hereby authorized and directed, for and on behalf of the Authority, to do all things necessary, on the advice of bond counsel to the Authority, to effectuate the sale and delivery of the Bonds and to implement this resolution, including the publication hereof as required by the Act, the execution of agreements, documents or certificates necessary to issue and deliver the Bonds, including but not limited to the final versions of the Indenture and the Loan Agreement. Said officers are hereby further authorized and directed to approve for and on behalf of and in the name of the Authority any changes, additions or deletions in any of the documents, instruments or certificates referred to in this resolution, provided that all such changes, additions or deletions, if any, shall be approved by bond counsel to the Authority and consistent with and within the authority provided by the Act.

SECTION 9. This resolution shall be published in *The Advocate*, the official journal of the Authority and the State of Louisiana published in Baton Rouge, Louisiana.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

SECTION 10.

This Resolution shall become effective immediately upon its adoption.

This resolution having been submitted to a vote, the vote thereon was as follows:

| Executive Committee Member | Yea | Nay | Absent | Abstaining |
|--|------------|------------|---------------|-------------------|
| William A. Lazaro, Jr., Chairman | X | | | |
| Mr. Lynn Austin, Vice Chairman | X | | | |
| Mayor Billy D'Aquilla, Secretary-Treasurer | X | | | |
| Julian Dufreche | X | | | |
| Mack Delafosse | X | | | |
| Mary S. Adams | X | | | |
| Mayor David Camardelle | X | | | |

The Resolution was declared adopted on this 10th day of October, 2013.

(Other items of business not pertinent to the foregoing resolution may be found in the official minutes of the Executive Committee of the Authority.)

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY



Steve A. Dicharry, Executive Director

Attest:



Linda U. Martin, Assistant Secretary

STATE OF LOUISIANA

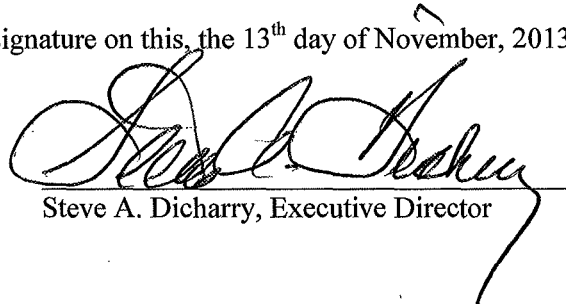
PARISH OF EAST BATON ROUGE

I, the undersigned Executive of Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that the foregoing pages constitute a true and correct copy of the proceedings taken by the Board of Directors of the Issuer on October 10, 2013, at a meeting at which a quorum was present and voting throughout, entitled:

A RESOLUTION MAKING CERTAIN FINDINGS WITH RESPECT TO AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$55,000,000 LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY REVENUE REFUNDING BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) IN ONE OR MORE SERIES, ON BEHALF OF UNIVERSITY FACILITIES, INC. FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF THE ISSUER'S REVENUE BONDS (SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/UNIVERSITY FACILITIES, INC. PROJECT) SERIES 2004; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE FIRST SUPPLEMENTAL TRUST INDENTURE AND THE FIRST SUPPLEMENTAL LOAN AND ASSIGNMENT AGREEMENT; AUTHORIZING OTHER DOCUMENTS, CERTIFICATES OR CONTRACTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE OFFICERS AND DIRECTORS OF THE AUTHORITY TO DO ALL THINGS NECESSARY TO EFFECTUATE THIS RESOLUTION.

I further certify that this resolution is in full force and effect.

IN FAITH WHEREOF, witness my official signature on this, the 13th day of November, 2013.



Steve A. Dicharry, Executive Director

[SEAL]

CAPITAL CITY PRESS

Publisher of
THE ADVOCATE

PROOF OF PUBLICATION

The hereto attached notice was published in **THE ADVOCATE**, a daily newspaper of general circulation published in Baton Rouge, Louisiana, and the Official Journal of the State of Louisiana, City of Baton Rouge, and Parish of East Baton Rouge, in the following issues:

10/18/13

Shelley Calloni, Public Notice Clerk

Sworn and subscribed before me by the person whose signature appears above

October 18, 2013

M. Monic McChristian,
Notary Public ID# 88293
State of Louisiana

My Commission Expires: Indefinite

LCDA

48902.

8712 JEFFERSON HWY STE A
BATON ROUGE LA 70809-2233

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority") is a political subdivision of the State of Louisiana established for public purposes under and pursuant to the provisions of Chapter 10 D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the "LCDA Act"), and other constitutional and statutory authority;

shall be secured by payments under the Loan Agreement which payments will be assigned and pledged to the Authority for payment of principal and interest on the Bonds;

WHEREAS, the Authority is authorized by the Act to secure its revenue bonds by a pledge of the income, revenues and receipts derived by or payable to the Authority under the Loan Agreement;

WHEREAS, the State Bond Commission (the "Commission") approved the issuance of the Bonds by the Authority at the Commission's September 19, 2013 meeting;

WHEREAS, rental payments from the Board, on behalf of the University, to the Corporation in amounts sufficient to pay annual debt service on the Bonds shall provide funds for the Board to make lease payments to the Corporation to enable it to make loan payments under the Loan Agreement to the Authority;

WHEREAS, the Authority and The Bank of New York Mellon Trust Company, N.A. (the "Trustee") will enter into a First Supplemental Trust Indenture (the "Indenture") pursuant to which the Authority's rights, duties and obligations under the Loan Agreement (except for certain rights of reimbursement of expenses, indemnification and exculpation and rights to notices) shall be assigned by the Authority to the Trustee for the benefit and security of the present and future owners of the Bonds;

WHEREAS, in consideration of the loan by the Authority pursuant to the Loan Agreement, the Corporation will agree to make payments of principal and interest that will be sufficient to pay or reimburse the payment of the costs of issuance of the Bonds and principal of, interest and charges relative to the Bonds;

WHEREAS, the Authority has determined that the sale of the Bonds to Stephens Inc. and Raymond James & Associates, Inc. (collectively, the "Underwriter"), and the use of the proceeds thereof to refund all or a portion of the Series 2004 Bonds will be in furtherance of the public purposes intended to be served by the Act;

WHEREAS, all consents and approvals required to be given by public bodies in connection with the authorization, issuance and sale of the Bonds as authorized by the Indenture and as required by the Act have been or will be secured prior to the delivery of the Bonds; and

WHEREAS, the Authority now desires to authorize the execution and delivery of: (i) the Loan Agreement; (ii) the Indenture; (iii) the Preliminary Official Statement; (iv) the Official Statement; (v) the Bond Purchase Agreement (herein defined); and (vi) all other documents, certificates and contracts ancillary thereto and required in connection with the transaction contemplated hereby, to authorize the sale and delivery of the Bonds to the Underwriter within certain parameters set forth herein, to authorize the use and distribution of the Preliminary Official Statement and the Official Statement with respect to the Bonds, and to provide for the execution of all instruments, documents and certificates in connection therewith.

NOW, THEREFORE, be it resolved by the Executive Committee of the Board of Directors of the Louisiana Local Government Environmental Facilities and Community Development Authority, acting as the governing authority for said Louisiana Local Government Environmental Facilities and Community Development Authority, that:

SECTION 1. For the purpose of financing the Project, the Authority hereby authorizes the issuance of not to exceed \$55,000,000 Louisiana Local

designees, pursuant to the Bond Purchase Agreement to be entered into by and among the Authority, the Corporation and the Underwriters, provided that the parameters of the terms of the Bonds set forth in this resolution are not exceeded.

SECTION 6. The Bank of New York Mellon Trust Company, N.A. is hereby appointed and approved as Trustee under the Indenture.

SECTION 7. By virtue of applicant/issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc." adopted by the Commission on July 30, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 8. The Chairman, Vice Chairman, Secretary-Treasurer, Executive Director or Assistant Secretary are hereby authorized and directed, for and on behalf of the Authority, to do all things necessary, on the advice of bond counsel to the Authority, to effectuate the sale and delivery of the Bonds and to implement this resolution, including the publication hereof as required by the Act, the execution of agreements, documents or certificates necessary to issue and deliver the Bonds, including but not limited to the final versions of the Indenture and the Loan Agreement. Said officers are hereby further authorized and directed to approve for and on behalf of and in the name of the Authority any changes, additions or deletions in any of the documents, instruments or certificates referred to in this resolution, provided that all such changes, additions or deletions, if any, shall be approved by bond counsel to the Authority and consistent with and within the authority provided by the Act.

SECTION 9. This resolution shall be published in The Advocate, the official journal of the Authority and the State of Louisiana published in Baton Rouge, Louisiana.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

SECTION 10. This Resolution shall become effective immediately upon its adoption.

This resolution having been submitted to a vote, the vote thereon was as follows:

Executive Committee Member
Yes: William A. Lazaro, Jr., Chairman, Mr. Lynn Austin, Vice Chairman, Mayor Billy D'Aquilla, Secretary-Treasurer Julian Dufreche, Mack Delafosse, Mary S. Adams, Mayor David Camardelle
No: None
Absent: None
Abstaining: None

The Resolution was declared adopted on this 10th day of October, 2013.

(Other items of business not pertinent to the foregoing resolution may be found in the official minutes of the Executive Committee of the Authority.)

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

ORDER OF ISSUER REQUESTING TRUSTEE
TO AUTHENTICATE AND DELIVER THE BONDS

\$40,910,000
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013**

Delivered: November 13, 2013

The Bank of New York Mellon Trust Company, N.A.
One American Place, Suite 1510
301 Main Street
Baton Rouge, Louisiana 70825
as Trustee of the above-captioned bonds

You have been designated to serve as trustee pursuant to the terms of that certain Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”), as supplemented and amended by that certain First Supplemental Trust Indenture dated as of November 1, 2013 (the “*First Supplemental Indenture*”) each between the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) and you, as trustee (the “*Trustee*”), and resolutions adopted by the Issuer on August 8, 2013 and October 10, 2013 authorizing the above-captioned bonds (the “*Bonds*”), copies of which, having been duly adopted and executed by the Issuer and which have been furnished to you for your review.

You are in receipt of an opinion of Bond Counsel and certifications by the Issuer to the effect that the Bonds have been duly authorized and executed and that all conditions precedent to delivery of the Bonds have been fulfilled.

You are hereby authorized and directed to sign the Trustee’s Certificate of Authentication on the Bonds in the aggregate principal amount of \$40,910,000 and to register said Bonds in the name of the respective Purchasers thereof.

The purchase price of the Bonds to be paid by the Purchasers is \$43,927,540.85 (the “*Bond Proceeds*”), representing the principal amount of the Bonds, plus net original issue premium of \$3,314,138.35, less the Underwriters’ discount of \$296,597.50.

In addition to the Bond Proceeds, you are further in receipt of a transfer from the Prior Bonds Debt Service Reserve Fund in the amount of \$3,765,837.50 (the “*Prior Bonds Debt Service Reserve Fund Transfer*”) and a transfer from the Prior Bonds Debt Service Fund in the amount of \$1,116,134.38 (the “*Prior Bonds Debt Service Fund Transfer*”) and a transfer from the Prior Bonds Project Fund in the amount of \$762,582.09 (the “*Prior Bonds Project Fund*”).

Transfer,” together with the Prior Bonds Debt Service Reserve Fund Transfer and the Prior Bonds Debt Service Fund Transfer, the “*Prior Bonds Transfer*”), and a contribution from the Board of the University of Louisiana System on behalf of Southeastern Louisiana University in the amount of \$7,500,00.00 (the “*Board Contribution*”).

Upon receipt by you of such sums, you are directed to deliver the Bonds to the Purchaser or to its agent for such purpose and to deposit the aggregate total of \$57,368,692.32 as follows:

- \$326,536.64 Consisting of a portion of the Board Contribution to be retained in the Costs of Issuance Account of the Bond Proceeds Fund.
- \$2,045,500.00 Consisting of a portion of the Board Contribution shall be deposited into the Series 2013 Debt Service Reserve Fund
- \$54,700,058.18 Consisting of Bond Proceeds in the amount of the \$43,927,540.85 and of the Prior Bonds Transfer in the amount of \$5,644,553.97 and of the remainder of the Board Contribution in the amount of \$5,127,963.36 to the Escrow Fund.


\$57,368,692.32 **TOTAL USES**

Costs of Issuance shall be paid as set forth in the Closing Order executed this date.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Upon your authentication of the Bonds as herein directed and your receipt, disbursement, deposit and transfer of the sums as hereinabove directed, you are specifically directed to invest the moneys on deposit in funds and accounts established by you pursuant to the Indenture in accordance with its terms and conditions and the Tax Regulatory Agreement and Arbitrage Certificate between the Issuer, the Board, the Corporation and the Trustee also delivered to you this date.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: 

Steve A. Dicharry, Executive Director


[SEAL]

ACKNOWLEDGMENT TO ORDER OF THE ISSUER

The undersigned Board Representative, acting on behalf of the Board of Supervisors for the University of Louisiana System (the "*Board*") hereby acknowledges the Order of the Issuer Requesting Trustee to Authenticate and Deliver the Bonds (the "*Order of the Issuer*") for the purposes of authorizing the transfer from the Prior Bonds Debt Service Reserve Fund, the Prior Bonds Debt Service Fund, and the Prior Bonds Project Fund to the Escrow Fund as described in the Order of the Issuer.

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: _____


John L. Crain
Board Representative

**Information Return for Tax-Exempt
 Private Activity Bond Issues**
 (Under Internal Revenue Code section 149(e))
 ▶ See separate instructions.

OMB No. 1545-0720

| Part I Reporting Authority | | Check if Amended Return <input type="checkbox"/> |
|---|------------|---|
| 1 Issuer's name Louisiana Local Government Environmental Facilities and Community Development Auth | | 2 Issuer's employer identification number 72-1416168 |
| 3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Louis S. Nunes, Attorney and Paid Partner | | 3b Telephone number of other person shown on 3a 504-582-5000 |
| 4 Number and street (or P.O. box if mail is not delivered to street address) | Room/suite | 5 Report number (For IRS Use Only) |
| 8712 Jefferson Highway | A | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| 6 City, town, or post office, state, and ZIP code Baton Rouge, LA 70809 | | 7 Date of issue (MM/DD/YYYY) 11/13/13 |
| 8 Name of issue Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University | | 9 CUSIP number 546282VT8 |
| 10a Name and title of officer or other employee of the issuer whom the IRS may call for more information. | | 10b Telephone number of officer or other employee shown on 10a |

| Part II Type of Issue (Enter the issue price.) | Issue Price |
|--|----------------------|
| 11 Exempt facility bond: | |
| a Airport (sections 142(a)(1) and 142(c)) | 11a |
| b Docks and wharves (sections 142(a)(2) and 142(c)) | 11b |
| c Water furnishing facilities (sections 142(a)(4) and 142(e)) | 11c |
| d Sewage facilities (section 142(a)(5)) | 11d |
| e Solid waste disposal facilities (section 142(a)(6)) | 11e |
| f Qualified residential rental projects (sections 142(a)(7) and 142(d)) (see instructions) | 11f |
| Meeting 20-50 test (section 142(d)(1)(A)) <input type="checkbox"/> | |
| Meeting 40-60 test (section 142(d)(1)(B)) <input type="checkbox"/> | |
| Meeting 25-60 test (NYC only) (section 142(d)(6)) <input type="checkbox"/> | |
| Has an election been made for deep rent skewing (section 142(d)(4)(B))? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| g Facilities for the local furnishing of electric energy or gas (sections 142(a)(8) and 142(f)) | 11g |
| h Facilities allowed under a transitional rule of the Tax Reform Act of 1986 (see instructions) | 11h |
| Facility type _____ | |
| 1986 Act section _____ | |
| i Qualified enterprise zone facility bonds (section 1394) (see instructions) | 11i |
| j Qualified empowerment zone facility bonds (section 1394(f)) (see instructions) | 11j |
| k District of Columbia Enterprise Zone facility bonds (section 1400A) | 11k |
| l Qualified public educational facility bonds (sections 142(a)(13) and 142(k)) | 11l |
| m Qualified green building and sustainable design projects (sections 142(a)(14) and 142(l)) | 11m |
| n Qualified highway or surface freight transfer facilities (sections 142(a)(15) and 142(m)) | 11n |
| o Other (see instructions) _____ | |
| p Qualified New York Liberty Zone bonds (section 1400L(d)) | 11p |
| q Other (see instructions) _____ | 11q |
| 12a Qualified mortgage bond (section 143(a)) | 12a |
| b Other (see instructions) _____ | 12b |
| 13 Qualified veterans' mortgage bond (section 143(b)) (see instructions) ▶ | 13 |
| Check the box if you elect to rebate arbitrage profits to the United States <input type="checkbox"/> | |
| 14 Qualified small issue bond (section 144(a)) (see instructions) ▶ | 14 |
| Check the box for \$10 million small issue exemption <input type="checkbox"/> | |
| 15 Qualified student loan bond (section 144(b)) | 15 |
| 16 Qualified redevelopment bond (section 144(c)) | 16 |
| 17 Qualified hospital bond (section 145(c)) (attach schedule—see instructions) | 17 |
| 18 Qualified 501(c)(3) nonhospital bond (section 145(b)) (attach schedule—see instructions) | 18 |
| Check box if 95% or more of net proceeds will be used only for capital expenditures ▶ <input type="checkbox"/> | 44,224,138.35 |
| 19 Nongovernmental output property bond (treated as private activity bond) (section 141(d)) | 19 |
| 20a Other (see instructions) _____ | |
| b New York Liberty Zone advance refunding bond (section 1400L(e)) (see instructions) | 20b |
| c Other. Describe (see instructions) ▶ _____ | 20c |

Part III Description of Bonds (Complete for the entire issue for which this form is being filed.)

| | (a) Final maturity date | (b) Issue price | (c) Stated redemption price at maturity | (d) Weighted average maturity | (e) Yield |
|----|-------------------------|------------------|---|-------------------------------|-----------|
| 21 | 08/01/2026 | \$ 44,224,138.35 | \$ 40,910,000.00 | 6.749 years | 3.1293 % |

Part IV Uses of Proceeds of Issue (including underwriters' discount)

| | | Amount |
|----|--|---------------|
| 22 | Proceeds used for accrued interest | 0 |
| 23 | Issue price of entire issue (enter amount from line 21, column (b)) | 44,224,138.35 |
| 24 | Proceeds used for bond issuance costs (including underwriters' discount) | 296,597.50 |
| 25 | Proceeds used for credit enhancement | |
| 26 | Proceeds allocated to reasonably required reserve or replacement fund | |
| 27 | Proceeds used to currently refund prior issue (complete Part VI) | |
| 28 | Proceeds used to advance refund prior issue (complete Part VI) | 43,927,540.85 |
| 29 | Add lines 24 through 28 | 44,224,138.35 |
| 30 | Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) | 0 |

Part V Description of Property Financed by Nonrefunding Proceeds

Caution: The total of lines 31a through e below must equal line 30 above. Do not complete for qualified student loan bonds, qualified mortgage bonds, or qualified veterans' mortgage bonds.

| 31 | Type of Property Financed by Nonrefunding Proceeds: | Amount |
|----|---|--------|
| a | Land | |
| b | Buildings and structures | |
| c | Equipment with recovery period of more than 5 years | |
| d | Equipment with recovery period of 5 years or less | |
| e | Other. Describe (see instructions) | |

32 North American Industry Classification System (NAICS) of the projects financed by nonrefunding proceeds.

| | NAICS Code | Amount of nonrefunding proceeds | | NAICS Code | Amount of nonrefunding proceeds |
|---|------------|---------------------------------|---|------------|---------------------------------|
| a | | \$ | c | | \$ |
| b | | \$ | d | | \$ |

Part VI Description of Refunded Bonds (Complete this part only for refunding bonds.)

| | | | |
|----|---|-----------------|-------|
| 33 | Enter the remaining weighted average maturity of the bonds to be currently refunded | | years |
| 34 | Enter the remaining weighted average maturity of the bonds to be advance refunded | 10.331 | years |
| 35 | Enter the last date on which the refunded bonds will be called | 8 / 1 / 2014 | |
| 36 | Enter the date(s) the refunded bonds were issued | August 13, 2004 | |

Part VII Miscellaneous

- 37 Name of governmental unit(s) approving issue (see the instructions) ▶ _____
- 38 Check the box if you have designated any issue under section 265(b)(3)(B)(i)(III) ▶
- 39 Check the box if you have elected to pay a penalty in lieu of arbitrage rebate ▶
- 40a Check the box if you have identified a hedge and enter the following information ▶
- b Name of hedge provider _____
- c Type of hedge ▶ _____
- d Term of hedge ▶ _____
- 41 Check the box if the hedge is superintegrated ▶
- 42a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) ▶ _____
- b Enter the final maturity date of the GIC ▶ / /
- c Enter the name of the GIC provider ▶ _____
- 43 Check the box if the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated in accordance with the requirements under the Code and Regulations (see instructions) ▶
- 44 Check the box if the issuer has established written procedures to monitor the requirements of section 148 ▶
- 45a Enter the amount of reimbursement if some portion of the proceeds was used to reimburse expenditures ▶ _____
- b Enter the date the official intent was adopted ▶ / /
- 46 Check the box if the issue is comprised of qualified redevelopment, qualified small issue, or exempt facilities bonds and provide name and EIN of the primary private user ▶
- Name ▶ _____ EIN _____

| Part VIII Volume Caps | | Amount |
|------------------------------|--|------------|
| 47 | Amount of state volume cap allocated to the issuer. Attach copy of state certification | 47 |
| 48 | Amount of issue subject to the unified state volume cap | 48 |
| 49 | Amount of issue not subject to the unified state volume cap or other volume limitations: | 49 |
| a | Of bonds for governmentally owned solid waste facilities, airports, docks, wharves, environmental enhancements of hydroelectric generating facilities, or high-speed intercity rail facilities | 49a |
| b | Under a carryforward election. Attach a copy of Form 8328 to this return | 49b |
| c | Under transitional rules of the Tax Reform Act of 1986. Enter Act section ▶ | 49c |
| d | Under the exception for current refunding (section 146(i) and section 1313(a) of the Tax Reform Act of 1986) | 49d |
| 50a | Amount of issue of qualified veterans' mortgage bonds | 50a |
| b | Enter the state limit on qualified veterans' mortgage bonds | 50b |
| 51a | Amount of section 1394(f) volume cap allocated to issuer. Attach copy of local government certification | 51a |
| b | Name of empowerment zone ▶ | |
| 52 | Amount of section 142(k)(5) volume cap allocated to issuer. Attach copy of state certification | 52 |

Signature and Consent Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Steve A. Dicharry **11-13-13** **Steve A. Dicharry, Executive Director**
 Signature of issuer's authorized representative Date Type or print name and title

Paid Preparer Use Only

| | | | | |
|---|---|-------------------------------|---|-------------------------------------|
| Print/Type preparer's name Louis S. Nunes | Preparer's signature <i>Louis S. Nunes</i> | Date 12/17/13 | Check <input type="checkbox"/> if self-employed | Preparer's PTIN P01212064 |
| Firm's name ▶ Jones Walker LLP | Firm's EIN ▶ 72-0445111 | | Firm's address ▶ 201 St. Charles Ave, New Orleans, LA 70170-5100 | |
| Firm's address ▶ 201 St. Charles Ave, New Orleans, LA 70170-5100 | | Phone no. 504-582-8000 | | |

**Attachment
Form 8038**

**Louisiana Local Government Environmental Facilities and
Community Development Authority
EIN 72-1416168**

Line 18:

| | |
|---|-----------------------------|
| Borrowing Organization: | University Facilities, Inc. |
| EIN: | 72-1417328 |
| Amount of Issue Benefiting this Organization: | \$44,224,138.35 |



8555 UNITED PLAZA BOULEVARD
BATON ROUGE, LOUISIANA 70809-7000
225-248-2000
FAX 225-248-2010
www.joneswalker.com

Patti Dunbar
Sr. Public Finance Assistant
Direct Dial 225-248-3447
Direct Fax 225-248-3047
pdunbar@joneswalker.com

December 30, 2013

Internal Revenue Service
Ogden, UT 84201

FED EX
7975 2088 8692

Re: \$40,910,000 Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/University Facilities,
Inc. Project) Series 2013

Dear Sir or Madam:

Enclosed is Form 8038 completed in connection with the above referenced transaction. Also enclosed is an acknowledgment copy of the Form 8038, which we request that you return to our office, using the self-addressed, stamped envelope, with your filing confirmation stamped thereon.

Please feel free to contact me at (225) 248-3447 should you have any questions or comments regarding this submission. Thank you for your attention to this matter

Sincerely,

A handwritten signature in black ink, appearing to read "Patti".

Patti Dunbar
Sr. Public Finance Assistant

PLD/nl

Enclosures – as stated

{B0915631.1}

JONES WALKER LLP

ALABAMA * ARIZONA * CALIFORNIA * DISTRICT OF COLUMBIA * FLORIDA * GEORGIA * LOUISIANA * MISSISSIPPI * NEW YORK * TEXAS

From: (225) 248-3471
 Nikki Landry
 Jones Walker
 8555 United Plaza Blvd
 Suite 500
 Baton Rouge, LA 70809

Origin ID: OPLA



J13201306280326

Ship Date: 30DEC13
 ActWgt: 1.0 LB
 CAD: 1292465/INET3430

SHIP TO: (817) 620-6227

BILL SENDER

Internal Revenue Service

1160 W 12th St

OGDEN, UT 84201

Delivery Address Bar Code



Ref # 139517-00 SLU
 Invoice #
 PO #
 Dept #

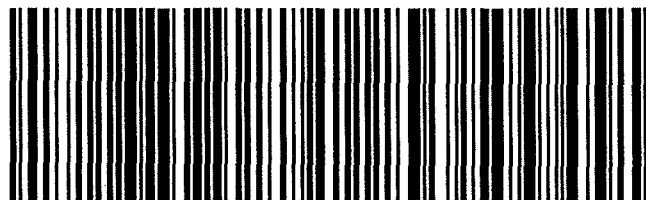
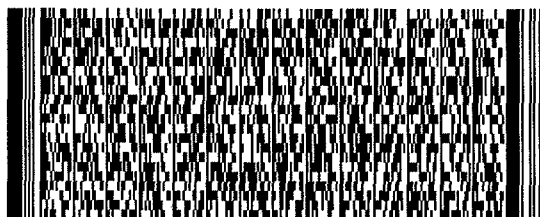
TUE - 31 DEC 10:30A
 PRIORITY OVERNIGHT

TRK# 7975 2088 8692

0201

84201
 UT-US
 SLC

XH OGDA



51AG1/D6EC/1A9E

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number. Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

Landry, Nikki

From: trackingupdates@fedex.com
Sent: Tuesday, December 31, 2013 10:34 AM
To: Landry, Nikki
Subject: FedEx Shipment 797520888692 Delivered

This tracking update has been requested by:

Company Name: Jones Walker
Name: Nikki Landry
E-mail: nlandry@joneswalker.com
Message: Filing of 8038 for LCDA SLU
Refunding 2013

Our records indicate that the following shipment has been delivered:

Reference: 139517-00 SLU
Ship (P/U) date: Dec 30, 2013
Delivery date: Dec 31, 2013 9:30 AM
Sign for by: D.CHEN
Delivery location: OGDEN, UT
Delivered to: Shipping/Receiving
Service type: FedEx Priority Overnight
Packaging type: FedEx Envelope
Number of pieces: 1
Weight: 0.50 lb.
Special handling/Services: Deliver Weekday
Tracking number: [797520888692](https://www.fedex.com/track/797520888692)

| Shipper Information | Recipient Information |
|------------------------|--------------------------|
| Nikki Landry | Internal Revenue Service |
| Jones Walker | 1160 W 12th St |
| 8555 United Plaza Blvd | OGDEN |
| Suite 500 | UT |
| Baton Rouge | US |
| LA | 84201 |
| US | |
| 70809 | |

Please do not respond to this message. This email was sent from an unattended mailbox. This report was generated at approximately 10:34 AM CST on 12/31/2013.

To learn more about FedEx Express, please visit our website at fedex.com.

All weights are estimated.

To track the latest status of your shipment, click on the tracking number above, or visit us at [fedex.com](https://www.fedex.com).

This tracking update has been sent to you by FedEx on the behalf of the Requestor noted above. FedEx does not validate the authenticity of the requestor and does not validate, guarantee or warrant the authenticity of the request, the requestor's message, or the accuracy of this tracking update. For tracking results and fedex.com's terms of use, go to [fedex.com](https://www.fedex.com).

Thank you for your business.

CERTIFICATE

I, WHITMAN J. KLING, JR., Director, State Bond Commission, State of Louisiana, do hereby certify that the attached Application No. S13-042

Louisiana Community Development Authority, Tangipahoa
Southeastern Louisiana University Student Housing/University Facilities, Inc. Project
was approved by the State Bond Commission at a meeting held in the State Capitol on September 19, 2013 after due notice given to each member.

I FURTHER CERTIFY that the following members were present and absent at said meeting when said application was presented for consideration:

MEMBERS PRESENT

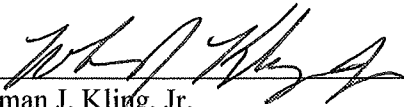
Mr. Thomas Enright, Representing the Governor
Honorable Jay Dardenne, Lieutenant Governor
Mr. Joe Salter, Representing the Secretary of State
Mr. Rick McGimsey, Representing the Attorney General
President John Alario, President of the Senate
Senator Edwin Murray, Representing the Chair, Senate Finance Committee
Senator Yvonne Dorsey-Colomb, Representing the Chair, Senate Revenue & Fiscal Committee
Senator Sharon Broome, Representing the Senator (at large)
Speaker Chuck Kleckley, Speaker of the House
Representative James R. Fannin, Chair, Appropriations Committee
Representative Joel Robideaux, Chair, House Ways & Means Committee
Representative Walter Leger, Representative (at large)
Ms. Kristy Nichols, Commissioner of Administration
Honorable John Neely Kennedy, State Treasurer

AND THAT the motion to approve Application No. S13-042 was made by Speaker Chuck Kleckley, seconded by President John Alario, and passed unanimously.

SAID official approval of such application being evidenced by the stamp and seal of the State Bond Commission which has been applied hereon.

WITNESS by my hand and seal at the City of Baton Rouge, Louisiana this 19th day of September, 2013.

(SEAL)


Whitman J. Kling, Jr.
Director
State Bond Commission



**LOUISIANA STATE BOND COMMISSION
APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking # S13-042

Applicant: *

Louisiana Local Government Environmental Facilities and Community Development Authority (SLU Refunding)

Parameters / Purposes: *

not to exceed \$55,000,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) in one or more series to mature not later than August 1, 2031 and bear interest at a rate not to exceed six percent (6%) per annum. The Refunding Bonds are to be secured by payments under a loan agreement or similar financing agreement to be entered into by the Corporation on behalf of the University, which payments are payable by the Corporation from lease revenues of the Board payable from lawfully available funds of the University. The Payments will be assigned and pledged to the Authority for payment of principal of and interest on the Refunding Bonds on a parity with any unrefunded portions of the Series 2004 Bonds.

The Refunding bonds are being issued for the purpose of (i) refunding all or a portion of the Series 2004 Bonds, (ii) funding a debt service reserve fund, if necessary, and (iii) paying costs of issuance of the Refunding Bonds, including the premiums for a bond insurance policy and debt service reserve fund surety policy, if necessary

Citation(s): *

R.S.33:4548.1 - 4548.16; R.S.39:1444-1456

Security: *

secured by payments under a loan agreement or similar financing agreement to be entered into by the Corporation on behalf of the University, which payments are payable by the Corporation from lease revenues of the Board payable from lawfully available funds

As Set Forth By: *

A Resolution adopted by the Issuer on August 8, 2013

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

\$40,910,000
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013**

Delivered: November 13, 2013

SBC No. S13-042

Date of Approval: September 19, 2013

GOVERNMENTAL ISSUE

I, the undersigned Debt Analyst of the Louisiana State Bond Commission (the "Commission"), hereby acknowledge that I have received payment in the amount \$ 20,084.50 representing payment in full of the fees charged by the Commission in connection with closing of the above referenced transaction.

LOUISIANA STATE BOND COMMISSION

Cassie Berthelot

Name: Cassie Berthelot

Title: D.A.

DATE: 12/18/13

**MINUTES
BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM
AUGUST 20, 2013**

A. Call to Order

Mr. Wayne Parker called to order the regular meeting of the Board of Supervisors for the University of Louisiana System in Room 100, the "Louisiana Purchase Room," Claiborne Conference Center, 1201 North Third Street, Baton Rouge, Louisiana at 10:09 a.m.

B. Roll Call

The roll was called.

PRESENT

- | | |
|-------------------------|-------------------------------|
| Mr. Andre Coudrain | Mr. Jimmy Long, Sr. |
| Mr. Edward Crawford III | Mr. Jimmie "Beau" Martin, Jr. |
| Dr. Kelly Faircloth | Mr. D. Wayne Parker |
| Mr. David Guidry | Mr. Mark Romero |
| Mr. E. Gerald Hebert | Mr. Carl Shetler |
| Mr. John LeTard | Mr. Winfred Sibille |
| Mr. Davante Lewis | Mr. Gary Solomon |

ABSENT

- | | |
|-----------------|-------------------|
| Mr. John Condos | Mr. Robert Shreve |
|-----------------|-------------------|

Also present for the meeting were the following: System President Sandra Woodley, System staff, administrators and faculty representatives from System campuses, Attorney Linda Clark, interested citizens, and representatives of the news media.

C. Invocation

Mr. Long gave the invocation.

D. Approval of Minutes of June 25, 2013 Board meeting

Upon motion of Mr. Hebert, seconded by Mr. Sibille, the Board unanimously approved the minutes of the June 25, 2013 Board meeting.

Upon motion of Mr. Martin, seconded by Mr. Shetler, the Board unanimously voted to suspend the rules in order to dispense with Committee deliberations and allow the Board as a whole to consider all items of business.

Mr. Parker welcomed Mr. Davante Lewis, who joined the Board as Student Board Member. Mr. Parker informed the Board that Mr. Lewis had been administered the Oath of Office in July and has already been busily participating on the Nicholls Search Committee. Mr. Lewis said he looked forward to his year on the Board.

E. **Academic and Student Affairs**

- E.1. Louisiana Tech University's request for approval for realignment of its organizational structure.

Upon motion of Mr. Sibille, seconded by Mr. Hebert, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves Louisiana Tech University's request for approval for realignment of its organizational structure.*

- E.2. McNeese State University and Southeastern Louisiana University's request for approval of an amendment to Southeastern Louisiana University's Letter of Intent for a Bachelor of Science degree program in Health Management Systems to include McNeese State University as an equal partner.

Upon motion of Mr. Crawford, seconded by Mr. Shetler, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves McNeese State University and Southeastern Louisiana University's request for approval of an amendment to Southeastern Louisiana University's Letter of Intent for a Bachelor of Science degree program in Health Management Systems to include McNeese State University as an equal partner.*

- E.3. Nicholls State University's request for approval to change the name of the Department of Psychology and Counselor Education to the Department of Psychology, Counseling, and Family Studies.

Upon motion of Mr. Martin, seconded by Mr. Shetler, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves Nicholls State University's request for approval to change the name of the Department of Psychology and Counselor Education to the Department of Psychology, Counseling, and Family Studies.*

- E.4. University of Louisiana at Lafayette's request for approval of the Center for Visual and Decision Informatics.

Upon motion of Mr. Hebert, seconded by Mr. Sibille, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Lafayette's request for approval of the Center for Visual and Decision Informatics.

- E.5. University of Louisiana at Monroe's request for approval of a Proposal to establish a Post Baccalaureate Certificate (PBC) in Unmanned Aircraft Systems Management in the College of Business Administration.

Upon motion of Mr. Guidry, seconded by Mr. Long, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval of a Proposal to establish a Post Baccalaureate Certificate (PBC) in Unmanned Aircraft Systems Management in the College of Business Administration.

- E.6. University of Louisiana at Monroe's request for approval of a Proposal for a Bachelor of Science degree program in Pharmaceutical Sciences.

Upon motion of Mr. Lewis, seconded by Dr. Faircloth, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval of a Proposal for a Bachelor of Science degree program in Pharmaceutical Sciences.

- E.7. University of Louisiana at Monroe's request for approval to offer a Certificate in Computed Tomography degree program in the Department of Radiologic Technology in Fall 2014.

Upon motion of Mr. LeTard, seconded by Mr. Solomon, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval to offer a Certificate in Computed Tomography degree program in the Department of Radiologic Technology in Fall 2014.

- E.8. University of Louisiana at Monroe's request for approval of an Agreement of Academic Cooperation with GEUMGANG University, Nonsan, Republic of Korea.

Upon motion of Mr. Martin, seconded by Mr. Shetler, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval of an Agreement of Academic Cooperation with GEUMGANG University, Nonsan, Republic of Korea.

- E.9. University of Louisiana at Monroe's request for approval of a Student Exchange Agreement with the University of Stirling.

Upon motion of Mr. Hebert, seconded by Mr. Crawford, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval of a Student Exchange Agreement with the University of Stirling.

- E.10. University of New Orleans' request for approval of a Letter of Intent for a Bachelor of Science degree program in Health Care Management.

Upon motion of Mr. Hebert, seconded by Mr. Solomon, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of New Orleans' request for approval of a Letter of Intent for a Bachelor of Science degree program in Health Care Management.

- E.11. University of New Orleans' request for approval of a Letter of Intent for a Master of Fine Arts degree program in Creative Writing.

Upon motion of Mr. Solomon, seconded by Mr. Crawford, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of New Orleans' request for approval of a Letter of Intent for a Master of Fine Arts degree program in Creative Writing.

- E.12. University of Louisiana System's request for approval of System Universities' 2013-14 Promotions in Faculty Rank and Recommendations for Tenure.

Upon motion of Mr. Shetler, seconded by Mr. Hebert, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana System's request for approval of System Universities' 2013-14 Promotions in Faculty Rank and Recommendations for Tenure.

- E.13. University of Louisiana System's report of academic highlights.

No action was required by the Board as it was a report only.

F. **Athletic**

- F.1. McNeese State University's request for approval of a contract with Mr. Andrew A. Burk, Jr., Head Men's Golf Coach, effective July 1, 2013.

Upon motion of Mr. Long, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves McNeese State University's request for approval of a contract with Mr. Andrew A. Burk, Jr., Head Men's Golf Coach, effective July 1, 2013.*

- F.2. McNeese State University's request for approval of a contract with Mr. Michael Edward Fluty, Head Women's Golf Coach, effective July 1, 2013.

Upon motion of Mr. Long, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves McNeese State University's request for approval of a contract with Mr. Michael Edward Fluty, Head Women's Golf Coach, effective July 1, 2013.*

- F.3. McNeese State University's request for approval of a contract with Mr. Brandon James Gilroy, Head Men/Women's Track Coach, effective July 1, 2013.

Upon motion of Mr. Long, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves McNeese State University's request for approval of a contract with Mr. Brandon James Gilroy, Head Men/Women's Track Coach, effective July 1, 2013.*

- F.4. McNeese State University's request for approval of a contract with Mr. Justin Hill, Head Baseball Coach, effective July 1, 2013.

Upon motion of Mr. Long, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves McNeese State University's request for approval of a contract with Mr. Justin Hill, Head Baseball Coach, effective July 1, 2013.*

- F.5. McNeese State University's request for approval of a contract with Mr. Michael J. Smith, Head Women's Softball Coach, effective July 1, 2013.

Upon motion of Mr. Long, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves McNeese State University's request for approval of a contract with Mr. Michael J. Smith, Head Women's Softball Coach, effective July 1, 2013.

- F.6. McNeese State University's request for approval of a contract with Ms. Danielle Steinberg, Head Women's Tennis Coach, effective July 1, 2013.

Upon motion of Mr. Long, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves McNeese State University's request for approval of a contract with Ms. Danielle Steinberg, Head Women's Tennis Coach, effective July 1, 2013.

- F.7. Northwestern State University's request for approval of a contract with Mr. John Michael McConathy, Head Men's Basketball Coach, effective May 1, 2013.

Upon motion of Mr. Long, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Northwestern State University's request for approval of a contract with Mr. John Michael McConathy, Head Men's Basketball Coach, effective May 1, 2013.

- F.8. Northwestern State University's request for approval of a contract with Mr. Donald Pickett, Head Softball Coach, effective July 1, 2013.

Upon motion of Mr. Long, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Northwestern State University's request for approval of a contract with Mr. Donald Pickett, Head Softball Coach, effective July 1, 2013.

- F.9. Southeastern Louisiana University's request for approval of a contract with Mr. Tim Baldwin, Head Golf Coach, effective August 1, 2013.

Upon motion of Mr. Coudrain, seconded by Mr. Sibille, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Southeastern Louisiana University's request for approval of a contract with Mr. Tim Baldwin, Head Golf Coach, effective August 1, 2013.

- F.10. Southeastern Louisiana University's request for approval of a contract with Mr. James Brady, Head Track and Field/Cross Country Coach, effective August 1, 2013.

Upon motion of Mr. Coudrain, seconded by Mr. Sibille, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Southeastern Louisiana University's request for approval of a contract with Mr. Tim Baldwin, Head Golf Coach, effective August 1, 2013.

- F.11. University of Louisiana at Monroe's request for approval of a contract with Mr. Brian Wickstrom, Athletic Director, effective July 14, 2013.

Upon motion of Mr. Martin, seconded by Dr. Faircloth, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval of a contract with Mr. Brian Wickstrom, Athletic Director, effective July 14, 2013.

- F.12. University of Louisiana System's report of significant athletic activities for the period of June 12 to August 4, 2013.

No action was required by the Board as it was a report only.

G. **Audit**

- G.1. University of Louisiana System's request for acceptance of Fiscal Year 2012-13 Financial and Compliance and Federal Award Programs Representation Letters for:

- a. Grambling State University
- b. Louisiana Tech University
- c. Nicholls State University
- d. Northwestern State University
- e. Southeastern Louisiana University
- f. University of Louisiana at Lafayette
- g. University of New Orleans

Upon motion of Mr. Romero, seconded by Mr. Shetler, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby accepts Fiscal Year 2012-13 Financial and Compliance, and Federal Award Programs Representations Letters for: Grambling State University, Louisiana Tech University, Nicholls State University, Northwestern State University, Southeastern Louisiana University, University of Louisiana at Lafayette, and University of New Orleans.

- G.2. University of Louisiana System's report on internal and external audits submitted for the period of June 15 to August 6, 2013.

No action was required by the Board as it was a report only.

H. **Facilities Planning**

- H.1. Louisiana Tech University's request for approval to enter into a ground lease agreement with Louisiana Tech foundation, Inc. to begin improvement on the Thomas Assembly Center scoreboard and to accept donations from the Foundation for the improvements to the facility upon completion of the installation.

Upon motion of Mr. Parker, seconded by Mr. Shetler, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Louisiana Tech University's request for approval to enter into a ground lease agreement with Louisiana Tech foundation, Inc. to begin improvement on the Thomas Assembly Center scoreboard and to accept donations from the Foundation for the improvements to the facility upon completion of the installation.

BE IT FURTHER RESOLVED, that the President of Louisiana Tech University is hereby designated and authorized to execute any and all documents associated with said lease by the University of Louisiana System behalf of and for the use of Louisiana Tech University.

AND FURTHER, that UL System staff and legal counsel will ensure that all documents conform to statutory and administrative requirements.

- H.2. Louisiana Tech University's request for approval to accept bequest and complete transfer of property from Ms. Frances Baxter Mitchell.

Upon motion of Dr. Faircloth, seconded by Mr. Guidry, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Louisiana Tech University's request for approval to accept bequest and complete transfer of property from Ms. Frances Baxter Mitchell.

BE IT FURTHER RESOLVED, that the President of Louisiana Tech University is hereby designated and authorized to execute any and all documents associated with said donation by the University of Louisiana System on behalf of and for the use of Louisiana Tech University.

AND FURTHER, that UL System staff and legal counsel will ensure that all documents conform to statutory and administrative requirements.

- H.3. University of Louisiana at Lafayette's request for approval of the form and authorization to execute a Ground and Buildings Lease Agreement and Agreement to Lease with Option to Purchase with Ragin' Cajun Facilities Corporation to develop the University's Tier 1 Athletic Facilities Project.

Upon motion of Mr. Romero, seconded by Mr. Hebert, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Lafayette's request for approval of the form and authorization to execute a Ground and Buildings Lease Agreement and Agreement to Lease with Option to Purchase with Ragin' Cajun Facilities Corporation to develop the University's Tier 1 Athletic Facilities Project.

BE IT FURTHER RESOLVED, that UL Lafayette shall obtain final review from UL System staff, legal counsel, and shall secure all other appropriate approvals from agencies/parties of processes, documents, and administrative requirements prior to execution of documents.

BE IT FURTHER RESOLVED, that the President of the University of Louisiana System and/or the President of UL Lafayette are/is hereby designated and authorized to execute any and all documents necessary to execute said lease agreement.

AND FURTHER, that University staff, UL System staff, and legal counsel shall assure that all documents conform to statutory and administrative requirements.

- H.4. University of Louisiana at Lafayette's request for approval of the form and authorization to execute a Ground and Buildings Lease Agreement and Agreement to Lease with Option to Purchase with Ragin' Cajun Facilities Corporation to develop the University's Lewis Street Parking Garage and related facilities.

Upon motion of Mr. Hebert, seconded by Mr. Romero, the Board unanimously voted to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Lafayette's request for approval of the form and authorization to execute a Ground and Buildings Lease Agreement and Agreement to Lease with Option to Purchase with Ragin' Cajun Facilities Corporation to develop the University's Lewis Street Parking Garage and related facilities.

BE IT FURTHER RESOLVED, that UL Lafayette shall obtain final review from UL System staff, legal counsel, and shall secure all other appropriate approvals from agencies/parties of processes, documents, and administrative requirements prior to execution of documents.

BE IT FURTHER RESOLVED, that the President of the University of Louisiana System and/or the President of University of Louisiana at Lafayette are/is hereby designated and authorized to execute any and all documents necessary to execute said lease agreement.

***AND FURTHER**, that University staff, UL System staff, and legal counsel shall assure that all documents conform to statutory and administrative requirements.*

- H.5. University of New Orleans' request for approval to enter into a Ground Lease with McDonald's USA, LLC.

Upon motion of Mr. Solomon, seconded by Mr. Crawford, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED**, that the Board of Supervisors for the University of Louisiana System hereby approves University of New Orleans' request for approval to enter into a Ground Lease with McDonald's USA, LLC.*

***BE IT FURTHER RESOLVED**, that the President of University of New Orleans is hereby designated and authorized to execute any and all documents necessary to execute said lease agreement.*

***AND FURTHER**, that UL System staff and legal counsel ensure that all documents conform to statutory and administrative requirements.*

- H.6. University of Louisiana System's request for approval of the Fiscal Year 2014-15 Capital Outlay Budget Request and Institutions' Five-Year Capital Outlay Plans.

Upon motion of Mr. Long, seconded by Mr. Guidry, the Board unanimously voted to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED**, that the Board of Supervisors for the University of Louisiana System hereby approves the Fiscal Year 2014-15 Capital Outlay Budget Request and Institutions' Five-Year Capital Outlay Plans.*

I. **Finance**

- I.1. Grambling State University's request for approval of a resolution providing for the issuance of not exceeding \$7,500,000 Revenue Bonds, approving the form of a Supplemental Trust Indenture, approving the form and authorizing the execution of other documents in connection therewith; authorizing the office and trustees of the System to do all things necessary to effectuate this resolution; and providing for other matters in connection with the foregoing.

Upon motion of Mr. Sibille, seconded by Mr. LeTard, the Board voted unanimously to approve the adoption of the following resolution.

***NOW, THEREFORE, BE IT RESOLVED**, that the Board of Supervisors for the University of Louisiana System hereby approves Grambling State University's request for approval of a resolution providing for the issuance of not exceeding \$7,500,000 Revenue Bonds, approving the form of a Supplemental Trust Indenture, approving the form and authorizing the execution of other documents in connection therewith; authorizing the office and trustees of the System to do all things necessary to effectuate this resolution; and providing for other matters in connection with the foregoing.*

BE IT FURTHER RESOLVED, that the University will return to the Board when the project's details of the loan, financing, and draft leases are completed.

BE IT FURTHER RESOLVED, that the Chair, Vice Chair, and President of the University or their designee are/is hereby designated and authorized to execute any and all documents necessary to execute said documents.

AND FURTHER, that UL System staff and legal counsel ensure that all related documents conform to statutory and administrative requirements.

- I.2. Southeastern Louisiana University's request for approval to issue refunding bonds (Southeastern Louisiana Student Housing/University Facilities, Inc. Project) not to exceed \$55,000,000.

Upon motion of Mr. Coudrain, seconded by Mr. Lewis, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Southeastern Louisiana University's request for approval to issue refunding bonds (Southeastern Louisiana Student Housing/University Facilities, Inc. Project) not to exceed \$55,000,000.

- I.3. University of Louisiana at Monroe's request for approval to enter into a Management Agreement with the ULM Athletic Foundation effective August 21, 2013.

Upon motion of Mr. Hebert, seconded by Mr. Martin, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval to enter into a Management Agreement with the ULM Athletic Foundation effective August 21, 2013.

BE IT FURTHER RESOLVED, that the President of the University of Louisiana at Monroe is hereby designated and authorized to execute any and all documents necessary to execute this agreement.

- I.4. University of Louisiana System's request for approval of Fiscal Year 2013-14 Operating Budgets, including organizational charts, undergraduate/graduate mandatory attendance fees, scholarships and System Shared Costs.

Upon motion of Mr. Coudrain, seconded by Dr. Faircloth, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Fiscal Year 2013-14 Operating Budgets, including organizational charts, undergraduate/graduate mandatory attendance fees, scholarships and System Shared Costs.

- I.5. University of Louisiana System's request for approval of Fiscal Year 2013-14 distribution of Overcollections Fund allocated to the Board of Supervisors for the University of Louisiana System in HB1 of the 2013 Legislative Session.

Upon motion of Mr. Lewis, seconded by Mr. Sibille, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Fiscal Year 2013-14 distribution of Overcollections Fund allocated to the Board of Supervisors for the University of Louisiana System in HB1 of the 2013 Legislative Session.

J. **Personnel**

Upon motion of Mr. Shetler, seconded by Mr. Guidry, the Board unanimously voted to add one item of other business from McNeese State University.

- J.1. Grambling State University's request for approval to appoint Dr. King David Godwin as Interim Dean of the College of Arts and Sciences, effective July 1, 2013.

Upon motion of Mr. Crawford, seconded by Dr. Faircloth, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Grambling State University's request for approval to appoint Dr. King David Godwin as Interim Dean of the College of Arts and Sciences, effective July 1, 2013.

- J.2. Grambling State University's request for approval to appoint Mr. Aaron James as Athletic Director effective September 1, 2013.

Upon motion of Mr. Coudrain, seconded by Mr. Shetler, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Grambling State University's request for approval to appoint Mr. Aaron James as Athletic Director effective September 1, 2013.

Mr. James was present and thanked the Board for the appointment.

- J.3. Louisiana Tech University's request for approval of a Memorandum of Understanding with Mr. Tommy McClelland, Director of Athletics, effective August 1, 2013.

Upon motion of Mr. Shetler, seconded by Mr. Long, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Louisiana Tech University's request for approval of a Memorandum of Understanding with Mr. Tommy McClelland, Director of Athletics, effective August 1, 2013.

Mr. McClelland thanked the Board and said that he looked forward to his tenure at Louisiana Tech.

- J.4. University of Louisiana at Lafayette's request for approval to appoint Dr. Bradd Clark as Interim Provost and Vice President for Academic Affairs, effective July 1, 2013.

Upon motion of Mr. Sibille, seconded by Mr. Hebert, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Lafayette's request for approval to appoint Dr. Bradd Clark as Interim Provost and Vice President for Academic Affairs, effective July 1, 2013.

- J.5. University of Louisiana at Lafayette's request for approval to continue the appointment of Mr. Ken Ardoin as Interim Vice President for University Advancement, effective July 1, 2013.

Upon motion of Mr. Sibille, seconded by Mr. Hebert, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Lafayette's request for approval to continue the appointment of Mr. Ken Ardoin as Interim Vice President for University Advancement, effective July 1, 2013.

- J.6. University of Louisiana at Lafayette's request for approval to appoint Dr. Azmy S. Ackleh as Dean of the Ray P. Authement College of Sciences, effective August 1, 2013.

Upon motion of Mr. Sibille, seconded by Mr. Hebert, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Lafayette's request for approval to appoint Dr. Azmy S. Ackleh as Dean of the Ray P. Authement College of Sciences, effective August 1, 2013.

Dr. Ackleh said he looks forward to helping advance the University.

- J.7. University of Louisiana at Lafayette's request for approval to appoint Dr. Mary J. Farmer-Kaiser as Acting Dean of the Graduate School, effective August 1, 2013.

Upon motion of Mr. Sibille, seconded by Mr. Hebert, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Lafayette's request for approval to appoint Dr. Mary J. Farmer-Kaiser as Acting Dean of the Graduate School, effective August 1, 2013.

- J.8. University of Louisiana at Monroe's request for approval to appoint Dr. Brian D. Wickstrom as Director of Athletics, effective July 14, 2013.

Upon motion of Mr. LeTard, seconded by Mr. Long, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval to appoint Dr. Brian D. Wickstrom as Director of Athletics, effective July 14, 2013.

- J.9. University of Louisiana at Monroe's request for approval to appoint Mrs. Pamela Jackson as Interim Dean of Students, effective August 1, 2013.

Upon motion of Mr. Lewis, seconded by Mr. LeTard, the Board voted unanimously to approve the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request for approval to appoint Mrs. Pamela Jackson as Interim Dean of Students, effective August 1, 2013.

- J.10. Other Business – McNeese State University's request for approval to appoint Mr. Fred Bruce Hemphill as Athletics Director, effective August 22, 2013.

Upon motion of Mr. Shetler, seconded by Mr. Lewis, the Board voted unanimously the adoption of the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves McNeese State University's request for approval to appoint Mr. Fred Bruce Hemphill as Athletics Director, effective August 22, 2013.

Mr. Hemphill said that being named McNeese Athletics Director had always been his dream and he appreciated the Board's support.

K. **System President's Business**

K.1. Personnel Actions

Dr. Sandra Woodley, System President, reported that System staff reviewed the personnel actions, and staff recommends approval.

Upon motion of Mr. LeTard, seconded by Mr. Martin, the Board voted unanimously to approve the System personnel actions.

K.2. System President's Report

Proposed Board Rule Change

Dr. Woodley reported that a proposed revision to a Board Rule was included in their folders for approval at the October meeting.

The proposal is a revision to *Chapter II. Students, Section VIII. Baccalaureate Degrees Requirements, A. Categories of Requirements, 1. General Education*. The change expands the requirements from college algebra to mathematics/analytics and increases the minimum number of credit hours from 3 to 6. The revision is necessary to align with Statewide General Education Requirements recently updated by the Board of Regents.

Update on SACS Accreditation – Nicholls State University

Dr. Woodley informed Board members that also included in their folders was a copy of a response from Nicholls State University to SACSCOC (Southern Association of Colleges and Schools Commission on Colleges) regarding the warning issued to the university on July 10, 2013. The response included a status report of Nicholls' plan of action.

K.3. MyEdu Presentation

Dr. Woodley reported that the System has been collaborating with MyEdu for the past several months and representatives have given demonstrations to various groups in the System universities. She introduced Founder and CEO of MyEdu, Mr. Michael Crosno, who gave the Board members a brief presentation of the tools MyEdu has to offer to students and employers.

Dr. Woodley stated that the System has signed a Memorandum of Understanding with the company. She expects the association to help students with academic planning and job placement.

K.4. Louisiana Tech University Presentation

A brief powerpoint highlighting Dr. Reneau's accomplishments and 26-year tenure as President was shown. Upon the request of Dr. Les Guice, Dr. Woodley as System President recommended that Dr. Daniel Reneau be awarded the title of President Emeritus of Louisiana Tech University, to be approved by the Board.

Upon motion of Mr. Parker, and a unanimous second, the Board voted to approve the following resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby awards the title President Emeritus of Louisiana Tech University to Dr. Daniel Reneau.

Dr. Reneau addressed the Board and stated his appreciation for the many wonderful years he enjoyed at Louisiana Tech and the honor of being named President Emeritus.

L. **Board Chair's Business**

L.1. **Board Chair's Report**

Executive Committee

Mr. Parker reported that the Executive Committee had met on Monday to discuss possible changes to Board meeting and Committee structures. Some of the discussions included reverting to Thursday/Friday meetings, scheduling individual Committee meetings versus Committee of the Whole, and reducing the number of Committees. Board members were asked to give input to Dr. Woodley before the October meeting.

Nicholls Presidential Search Committee

Mr. Parker stated that the Nicholls Presidential Search Committee had selected six semifinalists to be interviewed on the Nicholls campus during the week of August 26.

Special Board Meeting

Mr. Parker said that a Special meeting will be scheduled in Baton Rouge in early September to interview the finalists, with a reception the prior evening to meet the candidates. After the interviews, the Board will deliberate and select the next President of Nicholls.

M. **Other Business/Adjournment**

There being no further business, upon motion of Mr. Sibille, seconded by Mr. LeTard, the meeting adjourned at 1:03 p.m.

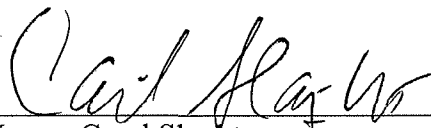
STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I hereby certify that the foregoing pages constitute a true and correct copy of the resolution adopted by the Board of Supervisors for the University of Louisiana System on August 20, 2013, at a meeting at which a quorum was present and voting throughout, entitled:

A RESOLUTION APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF AN AMENDED AND RESTATED GROUND AND BUILDINGS LEASE AND AN AMENDED AND RESTATED AGREEMENT TO LEASE WITH OPTION TO PURCHASE IN CONNECTION WITH THE LEASE AND LEASE BACK OF A PORTION OF THE **SOUTHEASTERN LOUISIANA UNIVERSITY** CAMPUS TO UNIVERSITY FACILITIES, INC. IN CONNECTION WITH THE REFUNDING OF ALL OR A PORTION OF THE SERIES 2004 BONDS ISSUED BY THE LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY FOR THE FINANCING OF CERTAIN STUDENT HOUSING FACILITIES; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

IN FAITH WHEREOF, witness my official signature on this, the 5th day of November, 2013.



Name: Carol Slaght

Title: Assistant to the Board

[SEAL]

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

The following resolution was offered upon motion by Mr. Coudrain:

RESOLUTION

A RESOLUTION APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF AN AMENDED AND RESTATED GROUND AND BUILDINGS LEASE AND AN AMENDED AND RESTATED AGREEMENT TO LEASE WITH OPTION TO PURCHASE IN CONNECTION WITH THE LEASE AND LEASE BACK OF A PORTION OF THE SOUTHEASTERN LOUISIANA UNIVERSITY CAMPUS TO UNIVERSITY FACILITIES, INC. IN CONNECTION WITH THE REFUNDING OF ALL OR A PORTION OF THE SERIES 2004 BONDS ISSUED BY THE LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY FOR THE FINANCING OF CERTAIN STUDENT HOUSING FACILITIES; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Board of Supervisors for the University of Louisiana System (the "*Board*") has, pursuant to La. R.S. 17:3361 through 17:3365 (the "*Act*"), and other constitutional and statutory authority supplemental thereto, leased a portion of the campus of Southeastern Louisiana University (the "*University*") to University Facilities, Inc. (the "*Corporation*") in order to enable the Corporation to finance the cost of acquiring immovable property and the development, design, construction and equipping of facilities for the University;

WHEREAS, the Corporation, through the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Authority*") has financed certain student housing and related facilities (the "*Housing Facilities*") using the proceeds of the Authority's \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), the Authority's \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and the Authority's \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series 2004B Bonds, the "*Series 2004 Bonds*");

WHEREAS, the Corporation has financed certain parking and related facilities (the "*Parking Facilities*" and, collectively with the Housing Facilities, the "*Facilities*") using the proceeds of the Authority's \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "*Series 2007A Bonds*") and the Authority's \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B

(the “*Series 2007B Bonds*” and, together with the Series 2007A Bonds, the “*Series 2007 Bonds*”);

WHEREAS, in connection therewith, the Board has authorized and entered into a Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the “*Prior Ground Lease*”), the Board leased certain property (the “*Property*”) to the Corporation and the Corporation has provided capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further amended by that certain Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each between the Board and the Corporation (collectively, the “*Prior Facilities Lease*”), all relative to the lease and lease-back of a portion of the University’s campus to the Corporation for the acquisition, development, design, construction and equipping of the Facilities;

WHEREAS, the University and the Corporation have determined that an opportunity exists to refund all or a portion of the Series 2004 Bonds to achieve interest savings for the University and the Louisiana Local Government Environmental Facilities and Community Development Authority has authorized the issuance of its not to exceed \$55,000,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Project) in one or more series (the “*Refunding Bonds*”) on behalf of the Corporation in order to refund all or a portion of the Series 2004 Bonds;

WHEREAS, the University and the Corporation are also evaluating a conversion of the interest rate mode relating to the Series 2004B Bonds and the possibility of a conversion of the interest rate mode on such Series 2004B Bonds from an auction rate to a fixed rate (the “*Interest Rate Mode Conversion*”);

WHEREAS, in connection with the issuance of the Refunding Bonds, it is necessary to amend and restate the Prior Ground Lease and the Prior Facilities Lease in order to incorporate references to the Refunding Bonds;

WHEREAS, the Board now desires to authorize an Amended and Restated Ground and Buildings Lease Agreement and an Amended and Restated Agreement to Lease with Option to Purchase.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors for the University of Louisiana System, as follows:

SECTION 1. The Amended and Restated Ground Lease Agreement between the Board and the Corporation (the “*Amended and Restated Ground Lease*”) and the Amended and Restated Agreement Lease with Option to Purchase between the Corporation and the Board (the “*Amended and Restated Facilities Lease*”), in substantially the forms attached hereto as Exhibit

A and Exhibit B, respectively, subject to such changes as may be approved by bond counsel and counsel to the Board, are hereby approved.

SECTION 2. The Chairman, Vice Chairman, Secretary of the Board, the System President, the President of the University or the Vice President for Finance and Administration of the University shall be authorized to execute the Supplemental Ground Lease and the Supplemental Facilities Lease on behalf of the Board, including any certificates, documents or other items necessary in connection with the issuance of the Refunding Bonds and with the Interest Rate Mode Conversion and in connection with the implementation of this Resolution.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

SECTION 3. This Resolution shall take effect immediately.

This Resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Andre Coudrain, Edward Crawford, Kelly Faircloth, David Guidry, E. Gerald Hebert, John LeTard, Davante Lewis, Jimmy Long, Jimmie “Beau” Martin, D. Wayne Parker, Mark Romero, Carl Shetler, Winfred Sibille, Gary Solomon

NAYS: None

ABSENT: John Condos, Robert Shreve

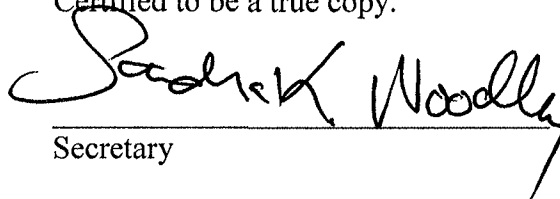
ABSTAINING: None

The Resolution was declared to be adopted on the 20th day of August, 2013.

(Other items not pertinent hereto are omitted)

Upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

Certified to be a true copy.


Secretary

[SEAL]

FORM OF
AMENDED AND RESTATED
GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessor)

and

UNIVERSITY FACILITIES, INC.
(as Lessee)

Dated as of _____ 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

\$925,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Taxable Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004C

AND

\$5,545,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

Page

ARTICLE I
LEASE OF PROPERTY - TERMS OF GROUND LEASE

| | | |
|--------------|----------------------------|---|
| Section 1.01 | <u>Lease of Land</u> | 2 |
| Section 1.02 | <u>Habendum</u> | 3 |
| Section 1.03 | <u>Term</u> | 3 |

ARTICLE II
DEFINITIONS

| | | |
|--------------|--------------------------|---|
| Section 2.01 | <u>Definitions</u> | 3 |
|--------------|--------------------------|---|

ARTICLE III
RENT

| | | |
|--------------|-------------------------------------|---|
| Section 3.01 | <u>Rent</u> | 6 |
| Section 3.02 | <u>Additional Obligations</u> | 7 |

ARTICLE IV
USE OF LAND

| | | |
|--------------|--|---|
| Section 4.01 | <u>Purpose of Lease</u> | 7 |
| Section 4.02 | <u>Benefit of the Board and the University</u> | 7 |
| Section 4.03 | <u>Data and Voice Communication Systems</u> | 7 |
| Section 4.04 | <u>Compliance with Statutory Requirements</u> | 7 |

ARTICLE V
RESERVED

ARTICLE VI
ENCUMBRANCES

| | | |
|--------------|--|---|
| Section 6.01 | <u>Mortgage of Leasehold or the Facilities</u> | 8 |
|--------------|--|---|

ARTICLE VII
MAINTENANCE AND REPAIR

| | | |
|--------------|---|---|
| Section 7.01 | <u>Maintenance, Repairs and Renovations</u> | 8 |
|--------------|---|---|

ARTICLE VIII
CERTAIN LIENS PROHIBITED

| | | |
|--------------|--|---|
| Section 8.01 | <u>No Mechanics' Liens</u> | 8 |
| Section 8.02 | <u>Release of Recorded Liens</u> | 8 |
| Section 8.03 | <u>Memorandum of Recitals</u> | 9 |

ARTICLE IX
OPERATION AND MANAGEMENT OF FACILITIES

| | | |
|--------------|---------------------------------------|---|
| Section 9.01 | <u>Management of Facilities</u> | 9 |
| Section 9.02 | <u>Books and Records</u> | 9 |
| Section 9.03 | <u>Audits</u> | 9 |

ARTICLE X
INDEMNIFICATION

| | | |
|---------------|---|----|
| Section 10.01 | <u>Indemnification by the Corporation</u> | 10 |
| Section 10.02 | <u>Contributory Acts</u> | 10 |

ARTICLE XI
TERMINATION, DEFAULT AND REMEDIES

| | | |
|---------------|--|----|
| Section 11.01 | <u>Events Of Default</u> | 10 |
| Section 11.02 | <u>The Board's Rights Upon Default</u> | 11 |
| Section 11.03 | <u>Termination of Right of Occupancy</u> | 11 |
| Section 11.04 | <u>Rights of The Board Cumulative</u> | 11 |

ARTICLE XII
TITLE TO THE FACILITIES

| | | |
|---------------|---|----|
| Section 12.01 | <u>Title to Facilities</u> | 12 |
| Section 12.02 | <u>The Board's Option to Require Demolition</u> | 12 |
| Section 12.03 | <u>Termination of Facilities Lease</u> | 12 |
| Section 12.04 | <u>Insurance Proceeds</u> | 12 |
| Section 12.05 | <u>Condemnation, Casualty and Other Damage</u> | 12 |

ARTICLE XIII
CONDEMNATION

| | | |
|---------------|--|----|
| Section 13.01 | <u>Condemnation</u> | 13 |
| Section 13.02 | <u>Partial Condemnation if Facilities Lease is No Longer in Effect</u> | 13 |
| Section 13.03 | <u>Partial or Total Condemnation if Facilities Lease is in Effect</u> | 13 |
| Section 13.04 | <u>Payment of Awards - If Facilities Lease is in Effect</u> | 13 |
| Section 13.05 | <u>Payment of Awards - If Facilities Lease is not in Effect</u> | 13 |
| Section 13.06 | <u>Bond Documents Control</u> | 14 |

ARTICLE XIV
ASSIGNMENT, SUBLETTING, AND TRANSFERS
OF THE CORPORATION'S INTEREST

| | | |
|---------------|--|----|
| Section 14.01 | <u>Assignment of Leasehold Interest</u> | 14 |
| Section 14.02 | <u>Subletting</u> | 14 |
| Section 14.03 | <u>Transfers of the Corporation's Interest</u> | 14 |

ARTICLE XV
COMPLIANCE CERTIFICATES

| | | |
|---------------|---|----|
| Section 15.01 | <u>The Corporation Compliance</u> | 14 |
| Section 15.02 | <u>The Board's Compliance</u> | 14 |

ARTICLE XVI
TAXES AND LICENSES

| | | |
|---------------|-------------------------------------|----|
| Section 16.01 | <u>Payment of Taxes</u> | 15 |
| Section 16.02 | <u>Contested Tax Payments</u> | 15 |

ARTICLE XVII
FORCE MAJEURE

| | | |
|---------------|--|----|
| Section 17.01 | <u>Discontinuance During Force Majeure</u> | 15 |
|---------------|--|----|

ARTICLE XVIII
MISCELLANEOUS

| | | |
|---------------|--|----|
| Section 18.01 | <u>Nondiscrimination, Employment and Wages</u> | 15 |
| Section 18.02 | <u>Notices</u> | 15 |
| Section 18.03 | <u>Relationship of Parties</u> | 17 |
| Section 18.04 | <u>Memorandum of Lease</u> | 17 |
| Section 18.05 | <u>Attorney's Fees</u> | 17 |
| Section 18.06 | <u>Louisiana Law to Apply</u> | 17 |
| Section 18.07 | <u>Warranty of Peaceful Possession</u> | 17 |
| Section 18.08 | <u>Curative Matters</u> | 17 |
| Section 18.09 | <u>Nonwaiver</u> | 17 |
| Section 18.10 | <u>Terminology</u> | 18 |
| Section 18.11 | <u>Counterparts</u> | 18 |
| Section 18.12 | <u>Severability</u> | 18 |
| Section 18.13 | <u>Authorization</u> | 18 |
| Section 18.14 | <u>Ancillary Agreements</u> | 18 |
| Section 18.15 | <u>Amendment</u> | 18 |
| Section 18.16 | <u>Successors and Assigns</u> | 19 |
| Section 18.17 | <u>Entire Agreement</u> | 19 |

- EXHIBIT A – LAND DESCRIPTION
- EXHIBIT B – PERMITTED ENCUMBRANCES
- EXHIBIT C – MEMORANDUM OF GROUND LEASE
- EXHIBIT D – FACILITIES

AMENDED AND RESTATED
GROUND AND BUILDINGS LEASE AGREEMENT

This AMENDED AND RESTATED GROUND AND BUILDINGS LEASE AGREEMENT (together with any amendment hereto or supplement hereof, the "*Ground Lease*") dated as of _____ 1, 2013, is entered into by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by John L. Crain, President of the University, duly authorized, and UNIVERSITY FACILITIES, INC., a Louisiana nonprofit corporation represented herein by _____, its _____, (the "*Corporation*") and amends and restates in its entirety that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Ground Lease*").

WITNESSETH

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University (the "*Campus*") provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Board;

WHEREAS, in order to further these functions of the Board, by development of housing and related facilities for students, faculty and staff on the Campus, the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such student housing and related facilities and leasing such facilities back to the Board;

WHEREAS, pursuant to the Prior Ground Lease, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further amended by that certain Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (collectively, the "*Prior Facilities Lease*") each between the Corporation and the Board;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Series 2004 Indenture*"), the Issuer issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities,

Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and its \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series 2004B Bonds, the "*Series 2004 Bonds*");

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Series 2004 Loan Agreement*"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "*Series 2004 Facilities*"), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a Debt Service Reserve Fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the "*Series 2007 Indenture*"), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "*Series 2007A Bonds*") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the "*Series 2007B Bonds*" and, together with the Series 2007A Bonds, the "*Series 2007 Bonds*");

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the "*Series 2007 Loan Agreement*"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Phase Four Facilities (as defined herein), (ii) fund a deposit to the Debt Service Reserve Fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 18.15 of the Prior Ground Lease and Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 the Series 2007 Loan Agreement provide that the Prior Ground Lease may be amended in order to amend or modify the Prior Ground Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Bond Insurer (as hereinafter defined) or the Trustee; and

WHEREAS, the Issuer is issuing its \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the "*Series 2013 Bonds*") in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Ground Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE I
LEASE OF PROPERTY - TERMS OF GROUND LEASE

Section 1.01 Lease of Land. The Board does hereby let, demise, and rent unto the Corporation, and the Corporation does hereby rent and lease from the Board, the real property (the

“Land”) more particularly described on Exhibit A attached hereto, together with all existing and future improvements, alterations, additions and attached fixtures located or to be located on the Land (the “Facilities”) and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Land for vehicular and pedestrian ingress and egress. Notwithstanding Article VIII of the Loan Agreement, the Board shall have the right to release from this Ground Lease, after demolition has been completed, any portion of the Land upon which existing facilities were demolished, if no portion of the Facilities is thereafter constructed thereon. The Corporation, by execution of this Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on Exhibit B attached hereto.

Section 1.02 Habendum. To have and to hold the Land and the Facilities, together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Corporation, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

Section 1.03 Term. Unless sooner terminated as herein provided, this Ground Lease shall continue and remain in full force and effect for a term commencing on the effective date hereof and ending on the earlier of (i) August 1, 2047, or (ii) the date on which any of the following events occur: (a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture, or (b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation’s interest in the Facilities pursuant to the Option.

ARTICLE II DEFINITIONS

Section 2.01 Definitions. In addition to such other defined terms as may be set forth in this Ground Lease, the following terms shall have the following meanings:

“*Affiliate*” means, with respect to a designated Person under this Ground Lease, any other Person that, directly or indirectly, controls is controlled by, or is under common control with such designated Person. For purposes of this definition, the term “control” (including the correlative meanings of the terms “controlled by” and “under common control with”), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person.

“*Agreement*” means collectively, the Series 2004 Agreement, the Series 2007 Agreement and the Series 2013 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Applicable Laws*” means all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority which are applicable to the parties performing their obligations under this Ground Lease.

“*Award*” means any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

“*Board*” means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University.

“*Board Representative*” means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Ground Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Business and Finance, or his or her designee, the President or the _____ of the University or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

“*Board’s Interest*” means the Board’s ownership interest in and to the Land and the Facilities.

“*Bond Documents*” shall have the meaning set forth in Section 3.12 of the Indenture.

“*Bonds*” shall mean the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds, any Additional Bonds issued pursuant to the Indenture and Bonds issued to refund any of the Series 2004 Bonds, Series 2007 Bonds or Series 2013 Bonds.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*Campus*” means the campus of the University.

“*Commencement Date*” means the effective date of this Ground Lease, which is _____, 2013.

“*Corporation*” means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Event of Default*” means any matter identified as an event of default under Section 11.01 hereof.

“*Expiration Date*” means the expiration date of this Ground Lease as set forth in Section 1.03 hereof.

“*Facilities*” means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached hereto, as amended and supplemented in accordance with the provisions of the Agreement, which renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds.

“*Facilities Lease*” means that certain Amended and Restated Agreement to Lease with Option to Purchase dated as of _____ 1, 2013, by and between the Board, as Lessee, and the Corporation, as Lessor, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

“*Force Majeure*” means any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, act of terrorism, war, blockade, insurrection, riot, or civil disturbance; (b) labor dispute, strike, work slowdown, or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of the Corporation; (d) adoption of or change in any Applicable Laws after the date of execution of this Ground Lease; (e) any actions by the Board which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of the Corporation.

“*Governmental Authority*” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

“*Indenture*” means, collectively, the Series 2004 Indenture, the Series 2007 Indenture and the Series 2013 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

“*Land*” means the real property more particularly described on Exhibit A attached hereto upon which certain existing facilities have been demolished and upon which the Facilities were renovated, constructed and located.

“*Mortgage*” shall have the meaning set forth in the Agreement.

“*Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

“*Permitted Use*” means (i) the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing and (ii) the operation of the Series 2007 Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

“*Person*” means an individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.

“*Rent*” means the annual rent paid by the Corporation as set forth in Section 3.01 hereof.

“*Series 2004 Agreement*” means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Bonds*” means, collectively, the Issuer’s \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and its \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C.

“*Series 2004 Facilities*” means the student housing and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2004 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Agreement*” means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Bonds*” means, collectively, the Issuer’s \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the “*Series 2007A Bonds*”) and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

“*Series 2007 Facilities*” means the parking and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2007 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder

“*Series 2013 Agreement*” means the Loan Agreement dated as of _____ 1, 2013, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2013 Bonds*” means the Issuer’s \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

“*Series 2013 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of _____ 1, 2013, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Stadium Expansion*” shall mean the Football Stadium Improvements described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement, which improvements were not financed with Bond proceeds.

“*Taking*” means the actual or constructive condemnation, or the actual or constructive acquisition by condemnation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

“*Term*” means the term of this lease as set forth in Section 1.03 hereof.

“*Trustee*” shall have the meaning set forth in the Series 2013 Indenture.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

ARTICLE III RENT

Section 3.01 Rent. Commencing on the Commencement Date and continuing throughout the Term the Corporation shall pay to the Board, at the address set forth in Section 18.02 hereof or such other place as the Board may designate from time to time in writing, as annual rent for the Land (the “*Rent*”),

the sum of \$1.00 per year. Rent shall be due and payable annually in advance, with the first such payment of Rent being due on the Commencement Date and a like installment due on each anniversary thereafter during the Term.

Section 3.02 Additional Obligations. As further consideration for the entering into of this Ground Lease by the Board, the Corporation agrees to perform its construction obligations as set forth in Article Five herein, and to execute and perform its obligations under the Facilities Lease and all other documents contemplated by and ancillary to this Ground Lease and the Facilities Lease. Title to all improvements constructed or placed in service on the Land by the Corporation shall vest in the Board and the cost thereof incurred by the Corporation shall constitute additional rent hereunder. In addition, the Corporation agrees to pay the costs of demolishing, developing and/or constructing the Facilities and the Stadium Expansion pursuant to the terms of this Ground Lease and the Facilities Lease, title to which shall vest in the Board, which payment obligation shall constitute additional rent hereunder.

ARTICLE IV USE OF LAND

Section 4.01 Purpose of Lease. The Corporation enters into this Ground Lease for the purpose of demolishing certain existing facilities and renovating, developing and constructing the Facilities and the Stadium Expansion and leasing the Facilities and the Stadium Expansion to the Board in accordance with the Facilities Lease. Except as otherwise provided herein, the Facilities and the Stadium Expansion are to be used for no other purpose.

Section 4.02 Benefit of the Board and the University. The Board shall own the Facilities and the Stadium Expansion subject to the Corporation's rights under this Ground Lease and, for so long as the Facilities Lease remains in full force and effect, the Board shall lease back the Facilities from the Corporation for the support, maintenance and benefit of the Board and the University. The Facilities and the Stadium Expansion shall be owned and leased solely for a public purpose related to the performance of the duties and functions of the Board and the University. Under no circumstances shall the Facilities and the Stadium Expansion be used for any purpose other than the Permitted Use.

Section 4.03 Data and Voice Communication Systems. The Board, at its expense, agrees to provide to the Facilities and the Stadium Expansion appropriate cabling to tie its computer system into the Facilities and the Stadium Expansion. The Board shall provide the Facilities and the Stadium Expansion access to its computer system at no charge to the Corporation.

Section 4.04 Compliance with Statutory Requirements. Section 3361, et, seq. of Title 17 of the Louisiana Revised Statutes prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Ground Lease, the Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation:

(a) the waiver by written consent of the formulation and adoption of rules, regulations and requirements, if any, relative to the erection, construction and maintenance of the Facilities and the Stadium Expansion referenced in Section 3362 A of Title 17 of the Louisiana Revised Statutes, other than those set forth in this Ground Lease or specifically referenced in this Ground Lease;

(b) the waiver by written consent of the Board's right to require removal of the Facilities and the Stadium Expansion referenced in Section 3362 B of Title 17 of the Louisiana Revised Statutes, except as set forth in this Ground Lease; and

(c) the waiver by written consent of the Board's right to adopt such rules or regulations as it deems necessary or desirable relative to the conduct and social activities of people in structures erected on the leased grounds referenced in Section 3364 of Title 17 of the Louisiana Revised Statutes, except as may be specified in this Ground Lease.

**ARTICLE V
RESERVED**

**ARTICLE VI
ENCUMBRANCES**

Section 6.01 Mortgage of Leasehold or the Facilities. Except for the Mortgage, the Corporation shall not mortgage, lien or grant a security interest in the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion or any other right of the Corporation hereunder without the prior written consent of the Board.

**ARTICLE VII
MAINTENANCE AND REPAIR**

Section 7.01 Maintenance, Repairs and Renovations.

(a) For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall be responsible for maintaining and repairing the Facilities and the Stadium Expansion in accordance with Section 7 of the Facilities Lease.

(b) In the event that the Facilities Lease has been terminated, the Corporation will: (1) maintain or cause to be maintained the Facilities and the Stadium Expansion, and will keep the Facilities and the Stadium Expansion in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; and (2) make from time to time any additions, modifications or improvements to the Facilities and the Stadium Expansion the Corporation may deem desirable for its business purposes that do not materially impair the effective use of the Facilities and the Stadium Expansion, provided that all such additions, modifications and improvements will become a part of the Facilities and the Stadium Expansion.

**ARTICLE VIII
CERTAIN LIENS PROHIBITED**

Section 8.01 No Mechanics' Liens. Except as permitted in Section 8.02 hereof the Corporation shall not suffer or permit any mechanics' liens or other liens to be enforced against the Board's ownership interest in the Land, the Facilities or the Stadium Expansion nor against the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the Land, the Facilities or the Stadium Expansion or any part thereof through or under the Corporation.

Section 8.02 Release of Recorded Liens. If any such mechanics' liens or materialmen's liens shall be recorded against the Land, the Facilities or the Stadium Expansion, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case the Corporation hereby agrees to indemnify and save the Board harmless from all liability for damages occasioned thereby and shall in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released

prior to the execution of such judgment. In the event the Board reasonably should consider the Board's interest in the Land, the Facilities or the Stadium Expansion endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Board within thirty (30) days after such notice, then the Board, at the Board's sole discretion, may discharge such liens and recover from the Corporation immediately as additional Rent under this Ground Lease the amounts paid, with interest thereon from the date paid by the Board until repaid by the Corporation at the rate of ten percent (10%) per annum.

Section 8.03 Memorandum of Recitals. The memorandum of lease to be filed pursuant to Section 18.04 of this Ground Lease shall state that any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

ARTICLE IX OPERATION AND MANAGEMENT OF FACILITIES

Section 9.01 Management of Facilities and the Stadium Expansion. For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall operate and manage the Facilities and the Stadium Expansion or cause the Facilities and the Stadium Expansion to be operated and managed in accordance with the Section 7 of the Facilities Lease.

Section 9.02 Books and Records. The Corporation shall keep, or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Corporation.

Section 9.03 Audits. The Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Corporation. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the Board, by the Louisiana Legislative Auditor or by independent auditors retained by the Board desiring to conduct such audit, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Corporation.

**ARTICLE X
INDEMNIFICATION**

Section 10.01 Indemnification by the Corporation. Excluding the acts or omissions of the Board, its employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Board, its agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with the Corporation's construction of the Facilities and the Stadium Expansion. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation and the Board shall use the same counsel if such counsel is approved by the Board, which approval shall not be unreasonably withheld or delayed. If the Board does not approve such counsel then the Board may retain independent counsel at the Board's sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Board shall in no way be responsible therefor.

Section 10.02 Contributory Acts. Whenever in this Ground Lease any party is obligated to pay an amount or perform an act because of its negligence or misconduct (or that of its agents, employees, contractors, guests, or invitees), such obligations shall be mitigated to the extent of any comparative fault or misconduct of the other party (or that of its agents, employees, contractors, guests, or invitees) as determined by a court of law, and in any disputes damages shall be apportioned based on the relative amounts of such negligence or willful misconduct as determined by a court of law.

**ARTICLE XI
TERMINATION, DEFAULT AND REMEDIES**

Section 11.01 Events Of Default. Any one of the following events shall be deemed to be an "Event of Default" by the Corporation under this Ground Lease.

(a) The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of this Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.

(b) The taking by execution of the Corporation's leasehold estate (other than a foreclosure of the Mortgage) for the benefit of any Person.

(c) The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of this Ground Lease, other than the covenant set forth in Section 5.01. E. hereof, and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(d) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Facilities and the Stadium Expansion appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.

Section 11.02 The Board's Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Board may at its option seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Section 11.03 Termination of Right of Occupancy. Notwithstanding any provision of law or of this Ground Lease to the contrary, except as set forth in Section 1.03 hereof, the Board shall not have the right to terminate this lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Corporation hereunder, the Board shall have the right to terminate the Corporation's right to occupancy of the Land, the Facilities and the Stadium Expansion, except that the Facilities and the Stadium Expansion, at the option of the Board, shall remain thereon. The Board shall have the right upon ninety (90) days' written notice and opportunity to cure provided to the Bond Insurer and the Trustee, to take possession of the Land, the Facilities and the Stadium Expansion and to re-let the Land, the Facilities and the Stadium Expansion or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation hereby agrees to release its leasehold interest and all of its rights under this Ground Lease and the Facilities Lease to the new lessee of the Land (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, as applicable) agreeing to assume all of the Corporation's obligations under the Ground Lease, the Facilities Lease and under any debt incurred by the Corporation in connection with the construction of the Facilities and the Stadium Expansion.

Section 11.04 Rights of The Board Cumulative. All rights and remedies of the Board provided for and permitted in this Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Board of a breach of any of the covenants, conditions or restrictions of this Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Board to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

ARTICLE XII
TITLE TO THE FACILITIES

Section 12.01 Title to Facilities. Title to the existing Facilities and the Stadium Expansion and any new Facilities as they are constructed or placed in service upon completion thereof shall be vested in the Board. The Board's right to obtain title to the Facilities and the Stadium Expansion unencumbered by the leasehold interest of the Corporation granted hereunder shall be as set forth in the Facilities Lease. All furniture, fixtures, equipment and furnishings permanently affixed to the Facilities and the Stadium Expansion shall be the property of the Board upon termination of this Ground Lease whether such termination be by expiration of the Term or an earlier termination under any provision of this Ground Lease.

Section 12.02 The Board's Option to Require Demolition. Upon the Expiration Date of the Term or earlier termination hereof, in the event the Facilities or the Stadium Expansion are no longer suitable for the Board's purposes, the Board in its sole discretion may require the Corporation to demolish the Facilities or the Stadium Expansion and remove the Facilities or the Stadium Expansion from the Land, and restore the Land to substantially the same condition as it existed on the date of this Ground Lease, to be accomplished within one hundred eighty (180) days of such Expiration Date or earlier termination hereof. However, such demolition and removal of the Facilities or the Stadium Expansion shall be at the Board's sole cost and expense. In the event of such election upon the expiration of the Term, the Board shall notify the Corporation no later than six (6) months prior to the expiration of the Term. If this Ground Lease is terminated earlier, the Board shall notify the Corporation within thirty (30) days after the termination.

Section 12.03 Termination of Facilities Lease. Upon the termination of the Facilities Lease as a result of the Board's exercise of its option to purchase the Facilities and the Stadium Expansion granted under the Facilities Lease, all right and interest of the Corporation in and to this Ground Lease, the Facilities Lease and the Facilities and the Stadium Expansion shall be transferred to the Board, and the Corporation hereby agrees to execute any documents necessary to effectuate such transfer, or the Board may require the demolition of the Facilities and the Stadium Expansion as set forth in Section 12.02 above.

Section 12.04 Insurance Proceeds. Notwithstanding the fact that title to the Facilities and the Stadium Expansion is vested in the Board, if the Facilities Lease is no longer in force and effect, and all or any portion of the Facilities and the Stadium Expansion is damaged or destroyed by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty"), the proceeds of any insurance received on account of any such Casualty shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation as though the Corporation were the owner of the Facilities and the Stadium Expansion.

Section 12.05 Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities and the Stadium Expansion due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities and the Stadium Expansion by condemnation, expropriation, or eminent domain proceedings (collectively "Expropriation") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any

abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

ARTICLE XIII CONDEMNATION

Section 13.01 Condemnation. If the Facilities Lease has been terminated, upon the permanent Taking of all the Land, the Facilities and the Stadium Expansion, this Ground Lease shall terminate and expire as of the date of such Taking, and both the Corporation and the Board shall thereupon be released from any liability thereafter accruing hereunder except for Rent and all other amounts secured by this Ground Lease owed to the Board apportioned as of the date of the Taking or the last date of occupancy, whichever is later. The Corporation shall receive notice of any proceedings relating to a Taking and shall have the right to participate therein.

Section 13.02 Partial Condemnation if Facilities Lease is No Longer in Effect. Upon a temporary Taking or a Taking of less than all of the Land, the Facilities and the Stadium Expansion and if the Facilities Lease is no longer in effect, the Corporation, at its election, may terminate this Ground Lease by giving the Board notice of its election to terminate at least sixty (60) days prior to the date of such termination. Upon any such termination, the Rent accrued and unpaid hereunder shall be apportioned to the date of termination. In the event there is a partial condemnation of the Land and the Corporation decides not to terminate this Ground Lease, the Board and the Corporation shall either amend this Ground Lease or enter into a new lease so as to cover an adjacent portion of property, if necessary to restore or replace any portion of the Land and/or Facilities and the Stadium Expansion.

Section 13.03 Partial or Total Condemnation if Facilities Lease is in Effect. If this Ground Lease is terminated under Section 13.01 or in the event of a Taking of less than all of the Land and the Facilities and the Stadium Expansion while the Facilities Lease is in force and effect, and the Board decides to restore or replace the Facilities and the Stadium Expansion in accordance with the Facilities Lease, the Board and the Corporation agree to enter into a new lease (in form and substance substantially the same as this Ground Lease) of a portion of property necessary to place thereon the Facilities and the Stadium Expansion and to enter into a new Facilities Lease (in form and substance substantially the same as the Facilities Lease) covering such replacement Facilities and the Stadium Expansion.

Section 13.04 Payment of Awards - If Facilities Lease is in Effect. Upon the Taking of all or any portion of the Land or the Facilities or and the Stadium Expansion while the Facilities Lease remains in full force and effect (a) the proceeds of the Award allocable to the value of the Facilities and the Stadium Expansion shall be disbursed in accordance with the provisions of the Facilities Lease and the Bond Documents, and (b) the Board shall be entitled (free of any claim by the Corporation) to the Award for the value of the Board's Interest (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest); and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.05 Payment of Awards - If Facilities Lease is not in Effect. Upon the Taking of all or any portion of the Land or the Facilities or the Stadium Expansion at any time after the Facilities Lease is no longer in force and effect, (a) the proceeds of the Award allocable to the value of the Facilities or the Stadium Expansion shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation, (b) the Board shall be entitled (free of any claim of the Corporation) to the Award for the value of the Board's Interest in the Land (such value to be determined as if this Ground Lease were in effect and continuing to encumber the

Board's Interest) and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.06 Bond Documents Control. Notwithstanding anything in this Ground Lease to the contrary, in the event of a Casualty or a Taking of all or any portion of the Facilities or the Stadium Expansion, the provisions in the Bond Documents shall control the division, application and disbursement of any insurance proceeds or Award paid as a result thereof for so long as the Bond Documents remain in effect.

ARTICLE XIV ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE CORPORATION'S INTEREST

Section 14.01 Assignment of Leasehold Interest. Except as expressly provided for in Article Six and in this Article Fourteen, the Corporation shall not have the right to sell or assign the leasehold estate created by this Ground Lease, or the other rights of the Corporation hereunder to any Person without the prior written consent of the Board.

Section 14.02 Subletting. The Corporation is not authorized to sublet the leasehold estate to any entity other than the Board; provided, however, that if the Facilities Lease terminates, the Corporation shall have the right to sublease the Facilities to University students, faculty and staff and Permitted Sublessees.

Section 14.03 Transfers of the Corporation's Interest. Except as otherwise expressly provided herein, any Person succeeding to the Corporation's interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Corporation hereunder and shall be subject to the terms and provisions of this Ground Lease.

ARTICLE XV COMPLIANCE CERTIFICATES

Section 15.01 The Corporation Compliance. The Corporation agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by the Board, to execute, acknowledge and deliver to the Board or to such other party as the Board shall request, a statement in writing certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Corporation to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the Board's Interest or by any other Person.

Section 15.02 The Board's Compliance. The Board agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Corporation, to execute, acknowledge and deliver to the Corporation a statement in writing addressed to the Corporation or to such other party as the Corporation shall request, certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) to the best of its knowledge after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default); (d) during the construction period, the status of

construction of the Facilities and the Stadium Expansion and the estimated date of completion thereof; and (e) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Facilities and the Stadium Expansion, or by any other Person.

**ARTICLE XVI
TAXES AND LICENSES**

Section 16.01 Payment of Taxes. The Board shall pay, and, upon request by the Corporation, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Corporation's interest in the Land or in the Facilities and the Stadium Expansion or upon any of the Corporation's property used in connection therewith or upon the Board or the Board's Interest. The Board may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Board to pay taxes and fees under this Section 16.01 shall apply only to the extent that the Board or the Corporation are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The Board and the Corporation agree to cooperate fully with each other to the end that tax exemptions available with respect to the Land, the Facilities and the Stadium Expansion under applicable law are obtained by the party or parties entitled thereto.

Section 16.02 Contested Tax Payments. The Board shall not be required to pay, discharge or remove any such taxes or assessments so long as the Board is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. The Corporation shall cooperate with the Board in completing such contest and the Corporation shall have no right to pay the amount contested during the contest. The Corporation, at the Board's expense, shall join in any such proceeding if any law shall so require.

**ARTICLE XVII
FORCE MAJEURE**

Section 17.01 Discontinuance During Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Corporation, the Corporation shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The Board shall not be obligated to recognize any delay caused by Force Majeure unless the Corporation shall within ten (10) days after the Corporation is aware of the existence of an event of Force Majeure, notify the Board thereof.

**ARTICLE XVIII
MISCELLANEOUS**

Section 18.01 Nondiscrimination, Employment and Wages. Any discrimination by the Corporation or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Ground Lease, is prohibited.

Section 18.02 Notices. Notices or communications to the Board or the Corporation required or appropriate under this Ground Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid,

or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Assistant Vice President for Facilities Planning

with copies to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

with a copy to:

Seale & Ross
200 North Cate Street
Hammond, LA 70404
Attention: T. Jay Seale

If to Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Insured Portfolio Management

If to Trustee:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, FL 32256
Attention: Corporate Trust Division

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Section 18.03 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of Lessor and Lessor hereunder.

Section 18.04 Memorandum of Lease. Neither the Board nor the Corporation shall file this Ground Lease for record in Tangipahoa Parish, Louisiana or in any public place without the written consent of the other. In lieu thereof the Board and the Corporation agree to execute in recordable form a memorandum of this Ground Lease in the form of Exhibit C attached hereto. Such memorandum shall be filed for record in Tangipahoa Parish, Louisiana.

Section 18.05 Attorney's Fees. If either party is required to commence legal proceedings relating to this Ground Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 18.06 Louisiana Law to Apply. This Ground Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Tangipahoa Parish, Louisiana.

Section 18.07 Warranty of Peaceful Possession. The Board covenants that the Corporation, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Corporation, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Land, the Facilities and the Stadium Expansion during the Term, subject to the Facilities Lease, and may exercise all of its rights hereunder; and the Board agrees to warrant and forever defend the Corporation's right to such occupancy, use, and enjoyment and the title to the Land against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Ground Lease, the Facilities Lease, and the matters listed on Exhibit B attached hereto.

Section 18.08 Curative Matters. Except for the express representations and warranties of the Board set forth in this Ground Lease, any additional matters necessary or desirable to make the Land useable for the Corporation's purpose shall be undertaken, in the Corporation's sole discretion, at no expense to the Board. The Corporation shall notify the Board in writing of all additional matters undertaken by the Corporation to make the Land usable for the Corporation's purpose.

Section 18.09 Nonwaiver. No waiver by the Board or the Corporation of a breach of any of the covenants, conditions, or restrictions of this Ground Lease shall constitute a waiver of any subsequent

breach of any of the covenants, conditions or restrictions of this Ground Lease. The failure of the Board or the Corporation to insist in any one or more cases upon the strict performance of any of the covenants of the Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the Board or acceptance of payment by the Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the Board or the Corporation of any provision of this Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 18.10 Terminology. Unless the context of this Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word “includes” or “including” shall mean “including without limitation”; (d) the word “or” shall have the inclusive meaning represented by the phrase “and/or”; (e) the words “hereof,” “herein,” “hereunder,” and similar terms in this Ground Lease shall refer to this Ground Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Ground Lease and the Table of Contents to this Ground Lease are for reference purposes and shall not control or affect the construction of this Ground Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Ground Lease unless otherwise specified. All exhibits attached to this Ground Lease constitute a part of this Ground Lease and are incorporated herein. All references to a specific time of day in this Ground Lease shall be based upon Central Standard Time (or the other standard of measuring time then in effect in Hammond, Louisiana).

Section 18.11 Counterparts. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 18.12 Severability. If any clause or provision of this Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of Ground Lease shall not be affected thereby.

Section 18.13 Authorization. By execution of this Ground Lease, the Corporation and the Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Ground Lease have been taken and performed; and that the persons signing this Ground Lease on their behalf have due authorization to do so.

Section 18.14 Ancillary Agreements. In the event it becomes necessary or desirable for the Board to approve in writing any ancillary agreements or documents concerning the Land or concerning the construction, operation or maintenance of the Facilities and the Stadium Expansion or to alter or amend any such ancillary agreements between the Board and the Corporation or to give any approval or consent of the Board required under the terms of this Ground Lease, all agreements, documents or approvals shall be forwarded to the Board Representative.

Section 18.15 Amendment. No amendment, modification, or alteration of the terms of this Ground Lease shall be binding unless the same be in writing dated on or subsequent to the date hereof and duly executed by the parties hereto and consented to the extent required by Article VIII of the Agreement.

Section 18.16 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another educational institution or the Board into another educational management board.

Section 18.17 Entire Agreement. This Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the Land and contains all of the terms and conditions agreed upon with respect to the lease of the Land, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System on the _____ day of _____, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: _____

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of University Facilities, Inc. on the _____ day of _____, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this _____ day of _____, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "*Board*"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

WITNESSES:

NOTARY PUBLIC

STATE OF LOUISIANA

PARISH OF ORLEANS

BE IT KNOWN, that on this _____ day of _____, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Vice Chairperson of University Facilities, Inc. (the "*Corporation*"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

WITNESSES:

NOTARY PUBLIC

LAND DESCRIPTION ATTACHED

PERMITTED ENCUMBRANCES

1. Amended and Restated Ground Lease Agreement dated July 27, 2000 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.
2. Amended and Restated Agreement to Lease with Option to Purchase dated July 27, 2000 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.
3. Assignment of Leases and Rents dated July 27, 2000 by and between University Facilities, Inc., as assignor, and Hibernia National Bank, as assignee, relating to all leases and rents from the portion of the Facilities located on the 11.28 acre tract described as Tract 2 herein.

MEMORANDUM OF GROUND LEASE

STATE OF LOUISIANA
PARISH OF TANGIPAHOA

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

MEMORANDUM OF LEASE

This Memorandum of Lease (this “*Memorandum*”) is entered into by and between the Board of Supervisors for the University of Louisiana System (“*Lessor*”) and University Facilities, Inc. (“*Lessee*”).

RECITALS

A. Lessor and Lessee have entered into an Amended and Restated Ground Lease Agreement dated as of _____ 1, 2013 (the “*Lease*”), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibit A attached hereto and incorporated herein (the “*Land*”) and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties’ rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on _____, 2013 and shall continue until midnight on August 1, 2047, unless sooner terminated or extended as provided in the Lease.
2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.
3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System
1201 North 3rd Street, Suite 7300
Baton Rouge, Louisiana 70802
Attention: Assistant Vice President for Facilities Planning

Lessee: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

THUS DONE AND PASSED on the ___ day of _____, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with _____, _____, of University Facilities, Inc., and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____

NOTARY PUBLIC

FACILITIES

[TO COME]

FORM OF
AMENDED AND RESTATED
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.
(as Lessor)

and

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessee)

Dated as of _____ 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

\$925,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Taxable Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004C

AND

\$5,545,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| Section 1. Definitions | 2 |
| Section 2. Agreement to Lease; Term of Lease..... | 11 |
| Section 3. Acknowledgments, Representations and Covenants of the Board | 12 |
| Section 4. Representations and Covenants of the Corporation..... | 14 |
| Section 5. Waiver and Disclaimer of Warranties | 14 |
| Section 6. Rental..... | 15 |
| Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service. | 18 |
| Section 8. Utilities. | 19 |
| Section 9. Insurance..... | 19 |
| Section 10. Condemnation, Casualty and Other Damage. | 21 |
| Section 11. Application of Insurance Proceeds; Condemnation Award. | 21 |
| Section 12. Encumbrances. | 22 |
| Section 13. Assignment and Sublease..... | 23 |
| Section 14. Additions and Improvements Removal..... | 23 |
| Section 15. Right of Entry..... | 23 |
| Section 16. Mortgage Prohibition. | 24 |
| Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest..... | 24 |
| Section 18. Quiet Enjoyment. | 24 |
| Section 19. Environmental Compliance and Indemnity..... | 24 |
| Section 20. The Corporation's Reservation of Rights..... | 25 |
| Section 21. Default by the Board. | 26 |
| Section 22. Cumulative Remedies. | 26 |
| Section 23. Option to Purchase. | 27 |
| Section 24. Severability. | 29 |
| Section 25. Redemption of Bonds..... | 29 |
| Section 26. Additional Bonds. | 29 |
| Section 27. Execution..... | 29 |
| Section 28. Law Governing..... | 29 |
| Section 29. Nonappropriation of Funds. | 30 |
| Section 30. Exculpatory Provision. | 30 |
| Section 31. Amendments. | 30 |
| Section 32. Recording. | 30 |
| Section 33. Construction Against Drafting Party..... | 31 |
| Section 34. Time of the Essence. | 31 |
| Section 35. No Waiver. | 31 |
| Section 36. Survival. | 31 |
| Section 37. Counterparts. | 31 |
| Section 38. Estoppel Certificates. | 31 |
| Section 39. Waiver of Jury Trial. | 31 |
| Section 40. Written Amendment Required. | 32 |
| Section 41. Entire Agreement. | 32 |
| Section 42. Signs..... | 32 |
| Section 43. Litigation Expenses..... | 32 |
| Section 44. Brokers. | 32 |
| Section 45. No Easements for Air or Light..... | 32 |

Section 46. Binding Effect32
Section 47. Rules of Interpretation.....32
Section 48. Relationship of Parties.33
Section 49. Law Between the Parties.....33
Section 50. Notices.....33

EXHIBIT A DESCRIPTION OF FACILITIES

AMENDED AND RESTATED
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

This AMENDED AND RESTATED AGREEMENT TO LEASE WITH OPTION TO PURCHASE (together with any amendment hereto or supplement hereof, the "*Facilities Lease*"), dated and effective as of _____ 1, 2013, is entered into by and between UNIVERSITY FACILITIES, INC., a Louisiana nonprofit corporation represented herein by its _____, _____ (the "*Corporation*"); and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by _____, _____, duly authorized amends and restates in its entirety that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Facilities Lease*").

WITNESSETH:

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Corporation;

WHEREAS, in order to further these functions of the Board, by demolition of certain existing facilities and renovation, development and construction of housing and related facilities for students, faculty and staff on the campus of the University (the "*Campus*"), the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such housing and related facilities and leasing such housing facilities back to the Board;

WHEREAS, pursuant to the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Ground Lease*"), the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of the Prior Facilities Lease;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A.

(the "Trustee"), dated as of August 1, 2004 (the "Series 2004 Indenture"), the Issuer issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds"), its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds") and its \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "Series 2004C Bonds" and, together with the Series 2004A Bonds, the Series 2004B Bonds, the "Series 2004 Bonds");

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Series 2004 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "Series 2004 Facilities"), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a Debt Service Reserve Fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the "Series 2007 Indenture"), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "Series 2007A Bonds") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the "Series 2007B Bonds" and, together with the Series 2007A Bonds, the "Series 2007 Bonds");

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the "Series 2007 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Phase Four Facilities (as defined herein), (ii) fund a deposit to the Debt Service Reserve Fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 31 of the Prior Facilities Lease and Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 the Series 2007 Loan Agreement provide that the Prior Facilities Lease may be amended in order to amend or modify the Prior Facilities Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Bond Insurer (as hereinafter defined) or the Trustee; and

WHEREAS, the Issuer is issuing its \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the "Series 2013 Bonds") in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Facilities Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of and as used in this Facilities Lease, have the meanings as set forth below. All other capitalized terms used herein without definition shall have the meanings as set forth in

the Indenture (as hereinafter defined). Other terms shall have the meanings assigned to them in other Sections of this Facilities Lease.

“Additional Bonds” means bonds, if any, issued in one or more series on a parity with the Series 2004 Bonds, the Series 2007 Bonds and Series 2013 Bonds pursuant to Article V of the Indenture.

“Additional Debt” means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Rents.

“Additional Facilities” means any additional student housing facilities owned or leased by the Board or the Corporation that have been incorporated with the Facilities into a single housing system pursuant to Section 3(i) hereof.

“Additional Rental” means the amounts specified as such in Section 6(c) of this Facilities Lease.

“Administrative Expenses” means the necessary, reasonable and direct out-of-pocket expenses incurred by the Issuer or the Trustee pursuant to the Indenture and the Agreement, the compensation of the Trustee under the Indenture (including, but not limited to any annual administrative fee charged by the Trustee), the compensation of the Issuer, any amounts due to the Bond Insurer under the Reimbursement Agreement and the necessary, reasonable and direct out-of-pocket expenses of the Trustee incurred by the Trustee in the performance of its duties under the Indenture.

“Agreement” mean, collectively, the Series 2004 Agreement, the Series 2007 Agreement and the Series 2013 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“Annual Debt Service” means the amount required to pay all principal of and interest on a series of Bonds and any Additional Debt (as defined in the Facilities Lease), as applicable, in any Fiscal Year. For purposes of calculating the Annual Debt Service on a series of Bonds or Additional Debt the interest rate borne by which is not fixed to the maturity thereof on any date, for any period during which an interest swap or similar agreement shall be in effect whereunder the Corporation or the Board pays a fixed rate and the swap provider pays a floating rate that, in the judgment of the Authorized Corporation Representative (as evidenced by a certificate delivered to the Trustee) approximates the variable rate payable on such series of Bonds or Additional Debt, the interest rate on such series of Bonds or Additional Debt shall be deemed to be equal to the fixed rate payable by the Corporation or the Board under such interest swap or similar agreement and for any period during which such an agreement shall not be in effect the interest rate on such Bonds or Additional Debt shall be deemed to be the average interest rate borne by such series of Bonds or Additional Debt during the immediately preceding twelve (12) month period or, if such series of Bonds or Additional Debt has borne a floating rate for less than twelve (12) months, such series of Bonds or Additional Debt shall be treated as if it bears interest at the 25-year Revenue Bond Index as published by *The Bond Buyer* on the date of determination.

“Authorized Corporation Representative” means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

“Auxiliary Revenues” means the amount of all funds or revenues held by the University derived by Auxiliary Enterprises and any earnings thereof from the self-generated fees, rates, charges or income received by students, faculty or the public in connection with the utilization or operation of Auxiliary Enterprises after payment of any Auxiliary Enterprises expenses. The Auxiliary Enterprises of the University include the following, subject to modification from time to time: 1) student service fees for the operation of the University’s Textbook Rental, ID Card Services, Student Health Center and Student Union 2) certain commissions received from Food Service contractors, Retail Bookstore operations and Vending operations and 3) the sales of copying services. Auxiliary Revenues shall not include student fees specifically assessed by the University to service any outstanding obligations or any capital funds received by outside contractors required to make building improvements for their delivery of services.

“Base Rental” means the amounts referred to as such in Section 6(b) of this Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms hereof) but does not include Additional Rental.

“Board” means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University.

“Board Representative” means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Facilities Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Assistant Vice President for Facilities Planning, or his or her designee, the President of the University, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

“Bond Documents” shall have the meaning set forth in Section 3.12 of the Indenture.

“Bonds” means, collectively, the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds and any Additional Bonds issued pursuant to a supplemental Indenture as authorized hereby.

“Budget” means the University’s budget as approved by the Board for any Fiscal Year during the Term.

“Business Day” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Jacksonville, Florida, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“CERCLA” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§9601 et seq.).

“Claim” collectively means any claim, liability, demand, loss, damage, deficiency, litigation, cause of action, penalty, fine, judgment, defense, imposition, fee, lien, bonding cost, settlement, disbursement, penalty, cost or expenses of any and every kind and nature (including without limitation Litigation Expenses), whether known or unknown, incurred or potential, accrued, absolute, direct, indirect, contingent or otherwise and whether imposed by strict liability, negligence, or otherwise, and consequential, punitive and exemplary damage claims.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“*Commencement Date*” means the effective date of this Facilities Lease, which is _____, 2013.

“*Corporation*” means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payments or provision for payment of all of the Bonds.

“*Debt Service Coverage Ratio*” means, collectively, the Debt Service Coverage Ratio for the Facilities and the Debt Service Coverage Ratio for the University.

“*Debt Service Coverage Ratio for the Student Housing Facilities*” means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Net Revenues of the Facilities for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Debt issued and proposed to be issued for such Fiscal Year; provided, however, that for the purpose of calculating the Debt Service Coverage Ratio pursuant to subsection (ii) of Section 3(i) hereof, to determine whether the Board may build, acquire or renovate any Additional Facilities, the numerator of the fraction representing the Debt Service Coverage Ratio shall be increased by the additional anticipated revenues, if any, to be derived from the Additional Facilities to be constructed with the proceeds resulting from the Additional Debt as certified by the Vice-President for Administration and Finance of the University.

“*Debt Service Coverage Ratio for the Parking Facilities*” means, for any Fiscal Year, the ratio determined by the Vice President for Administration and Finance of the University by dividing the amount of Auxiliary Revenues and the Student Fee for such Fiscal Year by Annual Debt Service on the Series 2007 Bonds outstanding and on any Additional Bonds issued and proposed to be issued for such Fiscal Year.

“*Debt Service Coverage Ratio for the University*” means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Lawfully Available Funds for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Debt issued and proposed to be issued for such Fiscal Year.

“*Debt Service Fund*” means the fund of that name created under of the Indenture.

“*Debt Service Reserve Fund*” means the fund of that name created under the Indenture.

“*Debt Service Reserve Fund Requirement*” means, with respect to the Bonds, the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Default or Delay Rental*” means and shall consist of (i) all amounts, fees or expenses which the Corporation may be legally obligated to pay to Other Parties by reason of any default of the Board hereunder or any delay in payment of any sums due by the Board hereunder; and (ii) all costs, expenses and charges, including reasonable Legal Expenses, incurred by the Corporation whether by suit or otherwise, in collecting sums payable hereunder or in enforcing any covenant or agreement of the Board contained in this Facilities Lease or incurred in obtaining possession of the Facilities after default by the Board.

“*Encumbrance*” means any lien, mortgage, encumbrance, privilege, charge, option, right of first refusal, conditional sales contract, security interest, mechanic’s and materialmen’s liens, or any lien or encumbrance securing payment of any Claims, including environmental Claims, or of any charges for labor, materials, supplies, equipment, taxes, or utilities, excluding the Option granted to the Board herein.

“*Environmental Requirements*” means all State, federal, local, municipal, parish, and regional laws, statutes, rules, regulations, ordinances, codes, permits, approvals, plans, authorizations, concessions, investigation results, guidance documents; all legislative, judicial, and administrative judgments, decrees, orders, rules, rulings, and regulations; and all agreements and other restrictions and requirements in effect on or prior to the Commencement Date, of any Governmental Authority, including, without limitation, federal, state, and local authorities, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, or pollutants, and including without limitation the following environmental laws: The Clean Air Act (42 U.S.C.A. §1857); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901); CERCLA, as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601); the Clean Water Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §30); the Occupational Safety and Health Act (29 U.S.C. §651); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §135); the Louisiana Environmental Quality Act (La. R.S. 30:2001); and the Louisiana Air Quality Regulations (La. C. 33:III.2595) including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

“*Event of Default*” means any default specified in and defined as such by Section 21 hereof.

“*Expiration Date*” means the earlier of August 1, 2047, or the date that all amounts owed under the Indenture have been paid.

“*Extraordinary Rental*” means the amounts specified as such in Section 6(j) of this Facilities Lease.

“*Facilities*” means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached to the Ground Lease, as amended and supplemented in accordance with the provisions of the Agreement, which were renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds.

“*Facilities Lease*” means this Amended and Restated Agreement to Lease With Option to Purchase, including the Exhibits attached hereto, and any amendment or supplement hereto entered into from time to time in accordance with the terms hereof.

“*Fiscal Year*” means the fiscal year of the State, which at the date of this Facilities Lease is the period from July 1 to and including the following June 30.

“*Governmental Authority*” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

“*Governmental Regulations*” means any and all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation reports, guidelines, and requirements or accreditation standards of any Governmental Authority having jurisdiction over the Corporation and/or the Board, or affecting the Facilities.

“*Ground Lease*” means that certain Amended and Restated Ground and Buildings Lease dated as of _____ 1, 2013 by and between the Board, as Lessor on behalf of the University, and the Corporation, as Lessee.

“*Hazardous Substance*” means (a) any “hazardous substance” as defined in §101(14) of CERCLA or any regulations promulgated thereunder; (b) petroleum and petroleum by-products; (c) asbestos or asbestos containing material (“ACM”); (d) polychlorinated biphenyls; (e) urea formaldehyde foam insulation; or (f) any additional substances or materials which at any time are classified, defined or considered to be explosive, corrosive, flammable, infectious, radioactive, mutagenic, carcinogenic, pollutants, hazardous or toxic under any of the Environmental Requirements.

“*Indenture*” means, collectively, the Series 2004 Indenture, the Series 2007 Indenture and the Series 2013 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Interest Payment Date*” or “*interest payment date*,” when used with respect to the Series 2004B Bonds that bear interest at a Fixed Rate, the Series 2004C Bonds, the Series 2007 Bonds and the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014, when used with respect to Auction Rate Bonds, means the Business Day following each Auction Date, and with respect to Variable Rate Bonds, means the dates set forth in the supplemental indenture executed in connection with the applicable Variable Rate Conversion.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

“*Land*” means the real property more particularly described on Exhibit A attached to the Ground Lease upon which certain existing facilities are to be demolished and upon which the Facilities are to be renovated, constructed and located.

“*Lawfully Available Funds*” means, collectively, the Series 2004 Lawfully Available Fund and the Series 2007 Lawfully Available Funds.

“*Legal Expenses*” means the reasonable fees and charges of attorneys and of legal assistants, paralegals, law clerks and other persons and entities used by attorneys and under attorney supervision and all costs incurred or advanced by any of them irrespective of whether incurred in or advanced prior to the initiation of any legal, equitable, arbitration, administrative, bankruptcy, trial or similar proceedings and any appeal from any of same.

“*Litigation Expenses*” means all out-of-pocket costs and expenses incurred as a result of a Default, or in connection with an indemnification obligation, including Legal Expenses, the reasonable fees and charges of experts and/or consultants, and all court costs and expenses.

“*Management Agreement*” means the Management Agreement dated as of _____, 20___, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Series 2004 Facilities.

“*Management Company*” means _____, and its successor under any Management Agreement.

“*Management Fee*” means the fee owed to the Management Company of the Series 2004 Facilities pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

“*Maximum Annual Debt Service*” with respect to a series of Bonds issued under the Indenture, means the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or subject to mandatory sinking fund redemption.

“*Net Revenues of the Facilities*” means, with respect to any period, the excess of the Rents (determined on a cash basis) over Operating Expenses (before extraordinary items) of the Series 2004 Facilities and any Additional Facilities, determined in accordance with generally accepted accounting principles, and excluding: (a) any profits or losses on the sale or disposition, not in the ordinary course of business, of investments or fixed or capital assets or resulting from the early extinguishment of debt; (b) gifts, grants, bequests, donations and contributions, to the extent specifically restricted by the donor to a particular purposes inconsistent with their use for the payment of Annual Debt Service on the Bonds or Additional Debt; and (c) the net proceeds of insurance (other than business interruption insurance) and condemnation awards.

“*Notice*” shall have the meaning set forth in Section 50 hereof.

“*Operating Expenses*” means the current expenses of operation, maintenance and current repair of the Series 2004 Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker’s compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Issuer (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. “*Operating Expenses*” will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Series 2004 Facilities; or (4) amortization of financing costs.

“*Option to Purchase*” or “*Option*” means the option to purchase the Corporation’s interest in the Facilities granted in Section 23 of this Facilities Lease.

“*Other Parties*” means a Person other than the Parties.

“*Parties*” means, collectively, the Corporation and the Board.

“*Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Series 2004 Facilities for a period of one (1) month or less pursuant to a concession or other housing arrangement with the University.

“*Permitted Use*” means the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

“*Person*” means all juridical persons, whether corporate or natural, including individuals, firms, trusts, corporations, associations, joint ventures, partnerships, and limited liability companies or partnerships.

“*Principal Payment Date*” means each August 1, commencing August 1, 2014.

“*Project Fund*” means the fund of that name created under the Indenture.

“*Receipts Fund*” means the fund of that name created under the Indenture.

“*Remediation*” means any and all costs incurred due to any investigation of the Facilities or any remediation, response, cleanup, removal, or restoration required by any Governmental Regulation or Governmental Authority or by Environmental Requirements.

“*Rental*” means and includes the Base Rental and Additional Rental.

“*Rents*” means all revenues actually received from any source by, or on behalf the Board or the University with respect to the Series 2004 Facilities and any Additional Facilities, including without duplication, all collected rents and other charges for the use or occupancy of the Series 2004 Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Series 2004 Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants’ security deposits unless and until applied in satisfaction of tenants’ obligations as provided for in the Management Agreement and excluding refunds and reimbursements due to students in accordance with University policy.

“*Replacement Fund*” means the fund of that name created under the Indenture.

“*Series 2004 Agreement*” means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Bonds*” means, collectively, the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds.

“*Series 2004A Bonds*” means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, initially bearing interest at the Fixed Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$60,985,000, including such Series 2004A Bonds issued in exchange for other such Series 2004A Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004A Bonds pursuant to the Indenture.

“Series 2004B Bonds” means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B, initially bearing interest at the Auction Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$15,000,000, including such Series 2004B Bonds issued in exchange for other such Series 2004B Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004B Bonds pursuant to the Indenture.

“Series 2004C Bonds” means the Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C, and authorized to be issued by the Issuer in the aggregate principal amount of \$925,000, including such Series 2004C Bonds issued in exchange for other such Series 2004C Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004C Bonds pursuant to the Indenture.

“Series 2004 Facilities” means the student housing and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“Series 2004 Indenture” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, including any amendment and supplements thereof and thereto as permitted thereunder.

“Series 2004 Lawfully Available Funds” means all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, including Rents.

“Series 2007 Agreement” means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“Series 2007 Bonds” means, collectively, the Issuer’s \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the *“Series 2007A Bonds”*) and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

“Series 2007 Facilities” means the parking and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“Series 2007 Indenture” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder.

“Series 2007 Lawfully Available Funds” means, collectively, the Auxiliary Revenues and the Student Fee Revenues, as designated by the Board in its budget process to make Rental payments.

“Series 2013 Agreement” means the Loan Agreement dated as of _____ 1, 2013, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“Series 2013 Bonds” means the Issuer’s \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

“*Series 2013 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of _____ 1, 2013, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Stadium Expansion*” means the Football Stadium Improvements described in Exhibit A hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Stadium Expansion Land*” means the real property more particularly described on Exhibit A to the Ground Lease upon which the Stadium Expansion is to be renovated, constructed and located.

“*State*” means the State of Louisiana.

“*Student Fee*” means the student parking garage fee assessed on all University students for the planning, building and maintaining of a University parking garage, as designated by the Board in its budget process to make Rental payments. The referendum for the fee of \$20.00 per semester and \$10.00 each summer was voted on and passed by students at the University on October 24-26, 2005.

“*Student Fee Revenues*” means the amount of all funds or revenues held by the University derived by the Student Fee.

“*Term*” means the term of this Facilities Lease, as provided in Section 2 hereof.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of this Indenture, initially The Bank of New York Mellon Trust Company, N.A.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

Section 2. Agreement to Lease; Term of Lease. The Corporation hereby leases the Facilities to the Board, and the Board hereby leases the Facilities from the Corporation effective as of the Commencement Date of this Facilities Lease and agrees upon completion of construction of the Facilities to accept possession of the Facilities and agrees to pay the Base Rental, the Additional Rental and the Extraordinary Rental as provided herein for the use and occupancy of the Facilities, all on the terms and conditions set forth herein. The Board agrees that it will take immediate possession of the Facilities. The Term of this Facilities Lease begins on the Commencement Date and ends on the Expiration Date; provided, however, this Facilities Lease shall terminate prior to the Expiration Date upon the happening of any of the following events:

(a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture;

(b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation’s interest in the Facilities pursuant to the Option; or

(c) any other event described in this Facilities Lease which is specifically stated to cause a termination of this Facilities Lease, including without limitation a Default by the Board, and the failure of the Board to appropriate or cause to be appropriated an amount necessary to pay the Base Rental, all as set forth in Sections 21 and 29 hereof.

Upon the termination of the Facilities Lease under the circumstances set forth in Section 2(a) above, at the Board's option, the Board may require the demolition of the Facilities as set forth in Section 12.02 of the Ground Lease.

Section 3. Acknowledgments, Representations and Covenants of the Board. The Board represents, covenants and agrees as follows:

(a) The Board has full power and authority to enter into this Facilities Lease, the Ground Lease, and the transactions contemplated thereby and agrees to perform all of its obligations hereunder and under the Ground Lease;

(b) The Board has been duly authorized to execute and deliver this Facilities Lease and the Ground Lease and further represents and covenants that this Facilities Lease and the Ground Lease constitute the valid and binding obligations of the Board and that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Facilities Lease and the Ground Lease and the Board has complied with all constitutional and other statutory requirements as may be applicable to the Board in the authorization, execution, delivery and performance of this Facilities Lease and the Ground Lease;

(c) The execution and delivery of this Facilities Lease and the Ground Lease, and compliance with the provisions hereof, will not conflict with or constitute on the part of the Board a violation of, breach of, or default under any constitutional provision, statute, law, resolution, bond indenture or other financing agreement or any other agreement or instrument to which the Board is a party or by which the Board is bound, or any order, rule or regulation of any court or Governmental Authority or body having jurisdiction over the Board or any of its activities or properties with respect to the Facilities; and all consents, approvals or authorizations required of the Board for the consummation of the transactions contemplated hereby have been obtained or timely will be obtained;

(d) Other than that which was previously disclosed, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Board, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease and the Ground Lease;

(e) The Board will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes;

(f) The Board agrees to cause the Facilities to be used for the Permitted Use and shall not allow the Facilities to be used for any other use. No more than five percent (5%) of the gross area of the Facilities will be subleased by the Board or by any sublessees or assigns of the Board to, or otherwise used by, private business and the Board agrees to take all action, to the extent it is legally authorized and able to do so, necessary to prevent the Bonds from being deemed "private activity bonds" within the meaning of Section 141 of the Code; and

(g) The use of the Series 2004 Facilities is essential to the operation of the University by providing modern housing and related facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Series 2004 Lawfully Available Funds for use of the Series 2004 Facilities. There are no alternative facilities available for use as contemplated for the Facilities since there is currently a shortage of available, modern on-campus housing at the University.

(h) The Board covenants that, as long as any bonds, notes or lease obligations remain outstanding that are payable from Series 2004 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Series 2004 Facilities falls below 1.10:1.00 or the Debt Service Coverage Ratio for the University falls below 1.25:1.0, the Board shall use its best efforts to raise its fees, rentals, rates and charges relating to the Series 2004 Facilities so that within two (2) full semesters after either of the Debt Service Coverage Ratios becomes deficient, the Debt Service Coverage Ratio for the Series 2004 Facilities equals 1.10:1.00 and the Debt Service Coverage Ratio for the University equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Series 2004 Facilities is still below 1.10:1.00 or the Debt Service Coverage Ratio for the University is still below 1.25:1.0, the Board shall hire an outside consultant, approved by the Bond Insurer, and the Board shall follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Series 2004 Facilities, including raising fees and rents, reducing expenses and, if necessary, increasing the average occupancy rate through strict enforcement of parietal rules requiring students to reside on campus and, to the extent legally possible, revising parietal rules to increase the number of students required to reside on campus. So long as the Board is working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio, there shall not be an Event of Default hereunder unless (i) the Debt Service Coverage Ratio for the Series 2004 Facilities is less than 1.00:1.00 at the end of any Fiscal Year or (ii) the Debt Service Coverage Ratio for the Facilities is less than 1.10 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees, rentals, rates and charges and calculating each Debt Service Coverage Ratio for this Section, the Board shall take into account payments required to be made into the Debt Service Reserve Fund pursuant to Section 4.8(h) of the Indenture. The Board further covenants that it will seek any required approval necessary in order to comply with this covenant.

(i) Without the prior written consent of the Bond Insurer, the University will not build, acquire or renovate any similar student housing facilities, whether such facilities are owned by the University or a private entity, unless (i) the Series 2004 Facilities have met the Debt Service Coverage Ratio for the Series 2004 Facilities for the prior Fiscal Year, (ii) the Series 2004 Facilities are projected to meet the Debt Service Coverage Ratio for the Series 2004 Facilities for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in student or multi-family housing, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Series 2004 Facilities. Notwithstanding the foregoing, it is understood that with respect to Phase Three of the Facilities anticipated to be financed with Additional Bonds issued under the Indenture, the foregoing tests do not have to be met, provided that the construction of Phase Three of the Facilities does not increase the total number of on-campus housing beds available to the University. Such additional student housing facilities owned or leased by the Board or the Corporation shall be incorporated with the Series 2004 Facilities into a single housing system so that such additional student housing facilities and all revenues derived therefrom shall secure the Bonds, and the Facilities and the revenues derived therefrom, including all revenues derived from the Facilities Lease, will secure any debt incurred to finance such additional student housing facilities. In addition, the Mortgage (as defined in the Indenture) shall be amended to encumber any such Additional Facilities and any revenues derived therefrom to secure the Bonds and any debt incurred to finance such Additional Facilities.

(j) The University shall maintain its policy of requiring all unmarried, full-time undergraduate students with less than 60 credit hours to live in on-campus residence halls. It is understood that the University currently permits certain exceptions to that policy and, except as set forth in Section 4(h) above, the University may continue to permit those exceptions but it shall make no voluntary revisions to such policy that would reduce the number of students required to live in on-campus residence halls (including, without limitation, reducing the number of credit hours to less than 60, increasing the course-load required for status as a "full-time" student or modifying any existing

exemptions from the policy), until the Bonds have been paid in full or the Bond Insurer consents in writing to a change in such policy.

(k) The University shall actively promote the Series 2004 Facilities as a housing alternative and an integral part of the housing system of the University. The University shall, among other things, provide housing brochures to prospective students and allow signs to be posted to promote the Series 2004 Facilities.

Section 4. Representations and Covenants of the Corporation. The Corporation makes the following representations and covenants:

(a) The Corporation has been validly created under the Louisiana Nonprofit Corporation Law, is currently in good standing under the laws of the State, has the power to enter into the transactions contemplated by, and to carry out its obligations under this Facilities Lease, the Ground Lease and the Agreement. The Corporation is not in breach of or in default under any of the provisions contained in any contract, instrument or agreement to which it is a party or in any other instrument by which it is bound. By proper action, the Corporation has been duly authorized to execute and deliver this Facilities Lease, the Ground Lease and the Agreement;

(b) The execution and delivery of this Facilities Lease, the Ground Lease and the Agreement, and compliance with the provisions thereof and hereof, will not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under any statute, indenture, mortgage, declaration or deed of trust, loan agreement or other agreement or instrument to which the Corporation is a party or by which the Corporation is bound or any order, rule or regulation of any court or Governmental Agency or body having jurisdiction over the Corporation or any of its activities or properties; and all consents, approvals and authorizations which are required of the Corporation for the consummation of the transactions contemplated thereby and hereby have been or timely will be obtained;

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease, the Ground Lease or any agreement or instrument to which the Corporation is a party;

(d) The Corporation will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes.

Section 5. Waiver and Disclaimer of Warranties. The Board acknowledges that the Corporation has not made any representations or warranties as to the suitability or fitness of the Facilities for the needs and purposes of the Board or for any other purpose.

The Board further declares and acknowledges that the Corporation in connection with this Facilities Lease, does not warrant that the Facilities will be upon completion of construction free from redhibitory or latent defects or vices and releases the Corporation of any liability for redhibitory or latent defects or vices under Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695. The Board declares and acknowledges that it does hereby waive the warranty of fitness for intended purposes and guarantee against hidden or latent redhibitory defects and vices under Louisiana law, including Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695, and the warranty imposed by Louisiana Civil Code Articles 2476 and 2695, and waives all rights in redhibition pursuant to Louisiana Civil Code Articles 2520, et seq. The Board further declares and

acknowledges that this waiver has been brought to the attention of the Board and explained in detail and that the Board has voluntarily and knowingly consented to this waiver of warranty of fitness and/or warranty against redhibitory defects and vices for the Facilities. Notwithstanding the foregoing, the Board hereby retains all of its rights to proceed against any third parties with respect to such defects.

The Corporation disclaims and the Board waives any warranties and representations with respect to compliance with Governmental Regulations, including Environmental Requirements, or the disposal of, or existence in, on, under, or about the Facilities of any Hazardous Substance. The Board acknowledges that the Corporation reserves in this Facilities Lease all rights to recover from the Board all costs and expenses imposed on the Corporation to bring the Facilities into compliance with any Environmental Requirement, and all costs of Remediation or cleanup of such Hazardous Substance imposed on the Corporation or the Board, which shall be payable by the Board as Additional Rental hereunder to the extent imposed upon the Corporation.

Section 6. Rental

(a) The Board, for and in consideration of the Corporation entering into the Ground Lease, renovating and/or constructing the Facilities in accordance with the Ground Lease and leasing the Facilities to the Board pursuant to the terms hereof, hereby covenants and agrees to pay the Base Rental and Additional Rental in the amounts, subject to amounts for which the Board is entitled to a credit as described in Section 6(d) hereof, at the times and in the manner set forth herein, such amounts constituting in the aggregate the total of the rental payable under this Facilities Lease. The obligation of the Board to make Base Rental and Additional Rental payments shall commence on the Commencement Date and shall not be subject to abatement, set-off or reduction as a result of a failure by the Corporation to complete construction of the Facilities on a timely basis.

(b) The Board agrees to pay Base Rental from Lawfully Available Funds. Payments of Base Rental shall be due on the dates and in the amounts as hereinafter provided:

(i) With respect to the Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing _____ 25, 2013, in an amount equal to one-sixth (1/6th) of the interest due and payable on such Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Bonds on such Interest Payment Date; and

(ii) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing _____, 2013, in an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Auction Rate Bonds on such Interest Payment Date;

(iii) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Variable Rate Bonds on such Interest Payment Date;

(iv) On the twenty-fifth (25th) day of each month, commencing _____ 25, 2013, in an amount equal to one-twelfth (1/12th) of the principal of the Bonds payable on the next Principal Payment Date;

(v) On the dates required in the Indenture, to the Trustee for deposit into any of the funds established in the Indenture, including, without limitation, the Debt Service Reserve Fund and the Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture; and

(vi) Annually, beginning June 25, 2014, an amount equal to \$_____ (representing one-half of one percent (1/2%) of the construction cost of the Facilities), into the Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Bond Insurer.

(c) In addition to the Base Rental set forth herein, the Board agrees to pay as Additional Rental any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation on behalf of the Board and/or by the Board or the University in the management, operation, ownership, and/or maintenance of the Facilities, to the extent such expenses are not paid by the Management Company under any Management Contract, including but not limited to the following costs and expenses:

(i) all taxes, assessments and impositions against the Facilities, including without limitation ad valorem taxes attributed to the Corporation on behalf of the Board (and any tax levied in whole or in part in lieu of or in addition to ad valorem taxes);

(ii) any costs incurred by the Corporation in maintaining the Facilities for the Board and making any alterations, restorations and replacements to the Facilities;

(iii) insurance premiums and other charges for insurance obtained with respect to the Facilities including insurance premiums, if any, on all insurance required under the provisions of Section 9 of this Facilities Lease;

(iv) any Default or Delay Rentals;

(v) all costs incurred by the Corporation in connection with its performance of its obligations relating to the Facilities and/or the Land under the Ground Lease and this Facilities Lease;

(vi) all Administrative Expenses owed to the Issuer or the Trustee;

(vii) Litigation Expenses, if any, incurred pursuant to Section 43 hereof;

(viii) any reimbursement amounts payable pursuant to Section 20 hereof or pursuant to any other provision hereof; and

(ix) any other costs, charges, and expenses commonly regarded as ownership, management, maintenance, and operating expenses, if any, incurred by the Corporation under this Facilities Lease.

Amounts constituting Additional Rental payable hereunder shall be paid by the Board directly to the person or persons to whom such amounts shall be due. The Board shall pay all such amounts when due or within thirty (30) days after notice in writing from the Corporation, the Management Company, or the Trustee to the Board stating the amount of the Additional Rental then due and the purpose thereof.

(d) The Board shall be entitled to a credit against and reduction of each Base Rental payment in an amount equal to any amounts derived from the following sources:

(i) Accrued interest derived from the sale of the Bonds;

(ii) Any capitalization of interest from the proceeds of the Bonds contained in the Capitalized Interest Fund under the Indenture;

(iii) the Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement.

(iv) Surplus moneys (including investment earnings) contained in the funds and accounts held by the Trustee under the Indenture, including the Debt Service Fund, the Debt Service Reserve Fund and the Replacement Fund;

(e) Notwithstanding any other provision of the Facilities Lease, the obligation of the Board to make payments under this Facilities Lease, including payments of Base Rental and Additional Rental, shall be subject to, and dependent upon, appropriation of Legally Available Funds necessary to make the payments required under this Facilities Lease. The Vice President for Finance and Administration of the Board shall cause the University to include in the Budget and, if necessary, any amendments to the Budget, an amount of Lawfully Available Funds sufficient to make the payments of Base Rental and Additional Rental described herein which amounts may or may not ultimately be appropriated by the Board for such purpose. Subject to the foregoing and Section 29 hereof, the obligations of the Board to make payments pursuant to this Facilities Lease, and to perform and observe the other agreements and covenants on its part contained herein, shall be absolute and unconditional and shall not be subject to any diminution, abatement, set-off, or counterclaim. Subject to the foregoing and Section 29 hereof, until such time as the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with this Facilities Lease, the Board shall not suspend or discontinue payment of Rental or any other payments pursuant to this Facilities Lease for any cause, and shall continue to perform and observe all of its agreements contained in this Facilities Lease. The Corporation and the Board acknowledge and agree that the obligation of the Board to pay Rental shall constitute a current expense of the Board payable by the Board from funds budgeted and appropriated in accordance with law for and in consideration of the right to use the Facilities during the Term and that such obligation shall not in any manner be construed to be a debt of the Board in contravention of any constitutional or statutory limitations or requirements concerning indebtedness of the Board and nothing contained herein shall constitute a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

(f) The payments of Base Rental and Additional Rental under this Facilities Lease for each Fiscal Year or portion thereof during the Term shall constitute the total Rental for such Fiscal Year or portion thereof and shall be paid by the Board for and in consideration of the construction by the Corporation of the Facilities and the right to the use and occupancy of the Facilities by the Board for and during such Fiscal Year or portion thereof.

(g) Amounts necessary to pay each Base Rental payment shall be deposited by the Board on the dates set forth in Section 6(b) hereof in lawful money of the United States of America at the office of the Trustee or at such other place or places as may be established by the Corporation and/or Trustee in accordance with the Indenture. Any amount necessary to pay any Base Rental payment or portion thereof which is not so deposited shall remain due and payable until received by the Trustee. Notwithstanding any dispute between the Board and the Corporation hereunder, the Board shall make all Rental payments

when due and shall not withhold payment of any Rental pending the final resolution of such dispute or for any other reason whatsoever.

(h) This Facilities Lease is intended to be a triple net lease. The Board agrees that the Rental provided for herein shall be an absolute net return to the Corporation free and clear of any expenses, charges, taxes, abatements, counterclaims, reductions or set-offs whatsoever of any kind, character or nature; it being understood and agreed to by the Board that the Board shall bear responsibility for the payment of all costs and expenses associated with the ownership, management, operation, and maintenance of the Facilities. Under no circumstances will the Corporation be required to make any payment on the Board's behalf or for the Board's benefit under this Facilities Lease, or assume any monetary obligation of the Board under this Facilities Lease, or with respect to the Facilities.

(i) The State, through the Division of Administration, is not, at any time whatsoever, obligated, committed or required to provide funds by legislative appropriation or any other means to pay debt service on the Series 2007 Bonds or to support the continued operation and maintenance of the Series 2007 Facilities and Stadium Expansion, it being understood that thee portion of the lease payments payable by the Board under this Facilities Lease for payment of debt service on the Series 2007 Bonds are payable solely from Student Fees and Auxiliary Revenues and the Board is not legally committed, obligated or required to make available any other funds to make the lease payments hereunder.

(j) In addition to the Rental payments required hereby, the Board covenants and agrees to make an Extraordinary Rental payment to refund a portion of the Series 2004 Bonds, from funds on hand or collected by the Board, not to exceed \$9,000,000.

Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service.

(a) The University, at the direction of the Board, shall be responsible for ensuring that all services necessary or required in order to adequately operate the Facilities in accordance with the Permitted Use are provided and maintained. The University shall continuously operate or cause to be operated the Facilities from the Commencement Date and continuing for the remainder of the Term for the Permitted Use, and in accordance with all Governmental Regulations. Pursuant to the Management Agreement, the Corporation as approved by the Board, will initially contract with the Management Company to provide operations and management services for the Facilities. The University and the Board consent to the Corporation's initial acquisition of operations and management services from the Management Company. All Rents collected by the Management Company under the Management Agreement shall be deposited in an operating account and transferred daily to the Trustee in accordance with the Indenture.

(b) The University, at the direction of the Board, shall be responsible for maintaining the Facilities and shall make or contract or cause to be made or contracted with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Facilities, including without limitation the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, and foundations, fixtures, equipment, and appurtenances to the Facilities as and when needed to preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are at the fault of the Board, the Corporation or some Other Party. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class presently located in the Facilities.

(c) The University, at the direction of the Board, shall have the right during the Term to cause the Corporation or some other Party to make or construct any additions or improvements to the Facilities, alter the Facilities, attach fixtures, structures, or signs to or on the Facilities, and affix personal property to the Facilities without the Corporation's prior written consent to the extent allowed under the terms of any insurance covering the Facilities. All such alterations, improvements, additions, attachments, repairs, restorations, and replacements of all or any portion of the Facilities shall (i) be at the sole cost and expense of the University; (ii) not reduce the then fair market value of the Facilities; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations.

(d) The University, at the direction of the Board, shall provide or cause to be provided all security service, custodial service, janitorial service, trash disposal, and all other services necessary for the proper upkeep and maintenance of the Facilities as required herein. The Board acknowledges that the Corporation has made no representation or warranty with respect to systems and/or procedures for the security of the Facilities, any persons occupying, using or entering the Facilities, or any equipment, furnishings, or contents of the Facilities. It is the sole responsibility of the Board, through the University to cause to be provided or to provide for the security of persons on or entering the Facilities and/or property located at the Facilities, in accordance with reasonable and prudent business practices.

Section 8. Utilities. All utilities which are used or consumed in or upon or in connection with the Facilities during the Term, including, without limitation water, gas, electricity, sewerage, garbage, or trash removal, light, cable, heat, telephone, power, computer data and other utilities necessary for the operation of the Facilities (the "*Utility Service*") shall be the responsibility of the Board and/or the students, faculty, staff or Permitted Sublessees residing in the Facilities. Payments for Utility Services provided to the entire Facilities or to the common areas of the Facilities under such contract or contracts therefor as the Board may make shall be made by the Board directly to the respective utility companies furnishing such Utility Services.

The Corporation shall have no responsibility to the Board for the quality or availability of Utility Service to the Facilities, or for the cost to procure Utility Service. The Corporation shall not be in Default under this Facilities Lease or be liable to the Board or any other Person for direct or consequential damage, or otherwise, for any failure in supply of any Utility Service, heat, air conditioning, elevator service, cleaning service, lighting, security, or for surges or interruptions of electricity.

Section 9. Insurance.

(a) The University, at the direction of the Board, shall cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Facilities against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance shall be not less than the full replacement cost of the Facilities, without deduction for depreciation. In the event that the Facilities are not repaired or replaced, insurance proceeds shall be no greater than the actual cash value (replacement cost less depreciation) of the Facilities at the time of the loss. The policy shall be adjusted to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the Corporation in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(v) A policy of rental interruption insurance in the amount of at least one (1) year's rental in the event of loss of or damage to the Facilities.

(b) The Corporation shall:

(i) cause to be secured and maintained a policy of title insurance insuring the Corporation's leasehold interest under the Ground Lease in an amount equal to the par amount of the Bonds; and

(ii) cause all of the construction professionals to secure and maintain:

(A) Comprehensive or Commercial General Liability insurance;

(B) Errors and Omissions insurance;

(C) Automobile Liability insurance;

(D) Worker's Compensation insurance;

(E) an all Risk Builder's Policy upon the construction on the Property; and

(F) boiler and machinery or additional property insurance;

all as required by the terms of any construction contracts entered into with regards to the demolition of certain existing facilities and the renovation, development and construction of the Facilities.

All insurance required in this Section and all renewals of such insurance (excepting self-insurance or commercial insurance, through ORM) shall be issued by commercial insurers authorized to transact business in the State, and rated at least A- by Best's Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody's. All insurance policies provided or caused to be provided by the Corporation shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to the University and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the Corporation or other provider of the insurance that would otherwise

result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University is obligated to maintain according to this Facilities Lease (other than any policy of worker's compensation insurance) will name the Corporation, the Trustee and such other Persons or firms as the University may be required to name from time to time as additional insureds and shall expressly provide that the policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Corporation and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the University or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University shall be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured with respect to destruction of or damage to any portion of the Facilities by fire, earthquake or other casualty or event shall be paid to the Trustee (or, in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of Section 11 of this Facilities Lease and the Indenture.

The Corporation shall certify annually to the Bond Insurer that all insurance policies required by this Section 9 are as of the date of such certification in place and in effect.

Section 10. Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively "*Expropriation*") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

Section 11. Application of Insurance Proceeds; Condemnation Award. (a) If during construction, all or any portion of the Facilities is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Facilities by the Board on behalf of the Corporation, the Board shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in trust (or in the case of self-insurance through ORM, as set forth in paragraph (b) below), and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In

making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee in accordance with the terms of the Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore or replace the Facilities, the proceeds shall be paid to the Board for immediate delivery to Trustee and used to redeem the Outstanding Bonds.

Notwithstanding the foregoing, the Corporation's obligation to replace the Facilities in the event of Expropriation Proceedings is dependent on the Board entering into a lease with a different portion of the Campus as provided in Section 13.03 of the Ground Lease. In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities, the Corporation and the Board agree to amend or enter into a new Facilities Lease and Ground Lease in accordance with Sections 13.03 of the Ground Lease. In the event the Board, pursuant to the Ground Lease, decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Bonds in accordance with the terms of the Indenture, and this Facilities Lease and the Ground Lease shall terminate on the date that the events described in Section 2 (a) or 2 (b) hereof have occurred.

(b) In the event that ORM insures the Facilities, the Board shall use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 12. Encumbrances.

(a) *Payment by the Board.* The Board shall pay or cause to be paid all costs and charges for alterations, improvements, additions, repairs and maintenance ("*Work*") (i) done by the Board or caused to be done by the Board in or to the Facilities, and (ii) for all materials furnished for or in connection with such Work. The Corporation reserves all rights to collect for any loss or damage sustained or incurred by the Corporation resulting from any and all Encumbrances, demands or liabilities arising on account of the Work, which shall be payable by the Board as Additional Rent hereunder.

(b) *Failure to Discharge.* If the Board fails to pay any charge for which an Encumbrance has been filed, and the Facilities or any portion thereof is placed in imminent danger of being seized, the Corporation may, but shall not be obligated to, pay such charge and related costs and interest, and the amount so paid, together with reasonable Legal Expenses incurred in connection with such Encumbrance, will be immediately due from the Board to the Corporation as Additional Rental. Nothing contained in this Facilities Lease will be deemed the consent or agreement of the Corporation to subject the Corporation's interest in the Facilities to liability under any Encumbrance, or any mechanics', materialman's or other lien law. If the Board receives written notice that an Encumbrance has been or is about to be filed against the Facilities, or that any action affecting title to the Facilities has been commenced on account of Work done by or for the Board or for materials furnished to or for the Board, it shall immediately give the Corporation Notice of such notice.

(c) *Notice of Work.* At least fifteen (15) days prior to the commencement of any Work in or to the Facilities, by or for the University, the University shall give the Corporation Notice of the proposed Work and the names and addresses of the Persons supplying labor and materials for the proposed Work. The Corporation will have the right to post notices of nonresponsibility or similar written notices on the Facilities in order to protect the Facilities against any such claimants.

Section 13. Assignment and Sublease. (a) Neither this Facilities Lease nor any interest of the Board in the Facilities shall be mortgaged, pledged, assigned or transferred by the Board by voluntary act or by operation of law, or otherwise; provided, however, the Board may sublease all or any portion of the Facilities, or grant concessions involving the use of all or any portion of the Facilities, whether such concessions purport to convey a leasehold interest or a license to use all or a portion of the Facilities to any University student, faculty, staff or Permitted Sublessee. No such concession, leasehold interest or license to use the Facilities shall be granted to any University students, faculty or staff for a term of more than one (1) year, or to any Permitted Sublessee for a term of more than one (1) month. The Board shall, however, at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Facilities Lease (including, without limitation, the payment of Base Rental and Additional Rental), notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the Board from its obligations to pay Base Rental and Additional Rental as provided in this Facilities Lease or to relieve the Board from any other obligations contained herein. Other than subleases to University students, faculty, staff and Permitted Sublessees, in no event will the Board sublease or permit the use of all or any part of the Facilities to any person without an opinion of Bond Counsel that such will not cause interest on the Bonds to be included in the gross income of the owners of the Series 2004A Bonds and the Series 2004B Bonds for federal income tax purposes.

(b) The Corporation shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Facilities Lease, including without limitation its right to receive Base Rental payable hereunder, to the Issuer pursuant to the Agreement, and the Issuer will in turn assign its rights under this Facilities Lease to the Trustee pursuant to the Indenture. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith. Anything required or permitted to be done by the Corporation under this Facilities Lease may be done by the Trustee under the Indenture.

(c) Except as set forth in Section 13(b) hereof, the Corporation shall not sell or assign its interest in the Facility or this Facilities Lease without the prior written consent of the Board.

Section 14. Additions and Improvements Removal. At the expiration of the Term, or termination of this Facilities Lease, all alterations, fixtures, improvements and additions made by the Board or the University and all equipment placed upon the Facilities that are incorporated into or made into component parts of the Facilities, as well as, title to all property, furniture, equipment, fixtures, and other property installed at or placed upon the Facilities by the Board which is not incorporated into or made a component part of the Facilities remain the property of the Board.

The Board hereby agrees to replace such property from time to time as such property becomes worn out, obsolete, inadequate, unsuitable or undesirable. The Board may add to or remove such property from time to time, and upon expiration of the Term, provided that the Board repairs any damage to the Facilities caused by such removal.

Section 15. Right of Entry. Representatives of the Corporation and the Bond Insurer shall, subject to reasonable security precautions, and upon giving the Board not less than twenty-four (24) hours

advance Notice, have the right to enter upon the Facilities during reasonable business hours (and in emergencies without notice and at all times) accompanied by a Board Representative (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Corporation under this Facilities Lease, or (iii) for all other lawful purposes. Any right of access to any portion of the Facilities leased to the students, faculty, staff or Permitted Sublessees shall be subject to their rights pursuant to their rental agreements and University policy.

Section 16. Mortgage Prohibition. Except as set forth in the Indenture, the Ground Lease and the Agreement, the Corporation shall not be entitled to mortgage or grant a security interest in the Facilities.

Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest. If a person other than the Corporation shall succeed to the rights of the Corporation hereunder (in any case with the prior written consent of the Board as required hereby), upon the declaration of the successor to the Corporation's interest in this Facilities Lease, the Board agrees to fully attorn to and recognize any such successor as the Board's landlord under this Facilities Lease upon the then existing terms of this Facilities Lease, provided that such successor shall agree in writing to accept the Board's attornment and not to disturb the Board's possession so long as the Board shall observe the provisions and all covenants of this Facilities Lease. This attornment provision shall inure to the benefit of any such successor and shall be self-operative upon the election and declaration by such successor, and no further instrument shall be required to give effect to the provisions. However, the Board agrees to evidence and confirm the foregoing attornment provisions by the execution and delivery of instruments in recordable form satisfactory to such successor.

If the Facilities, or any part thereof, shall be sold or otherwise transferred by sale, assignment, transfer or other contract, or by operation of law or otherwise (with the prior written consent of the Board as required hereby and with an opinion of Bond Counsel that such action will not cause interest on the Bonds to be included in the gross income of the owner of the Bonds for federal tax purposes), and if such written consent specifically so provides, the Corporation shall be automatically and entirely released and discharged to the extent of the interest in or the portion of the Facilities sold, assigned or transferred from and after the effective date of such sale, assignment or transfer of all liability for the performance of any of the covenants of this Facilities Lease on the part of the Corporation thereafter to be performed. The purchaser or other transferee of the Facilities shall be deemed to have agreed to perform such covenants of the Corporation from and after the date of such assignment or sale during such transferee's period of ownership of the Corporation's interest under this Facilities Lease, all without further agreement between the Corporation, its successor and the Board. The Corporation's transferee shall not be held responsible for the performance of any of the covenants of this Facilities Lease on the part of the Corporation required to be performed prior to such sale and transfer, the Board reserving its rights against the Corporation for any unperformed covenants prior to such sale or transfer.

Section 18. Quiet Enjoyment. The Corporation covenants that the Board, on paying the Rental and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Board or the University, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Facilities during the Term and may exercise all of its rights hereunder; and the Corporation agrees to warrant and forever defend the Board's right to such occupancy, use, and enjoyment and the title to the Facilities against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Facilities Lease.

Section 19. Environmental Compliance and Indemnity.

(a) *Environmental Compliance.* The Board or the University shall operate or cause to be operated the Facilities in compliance with all Environmental Requirements continuously during the Term, and for such periods of time prior to the Commencement Date and after the Expiration Date, as long as the Board is in possession of the Facilities, in whole or in part. The Board shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Facilities or the Land, except for such Hazardous Substance as is necessary or useful to the operation of the Facilities.

(b) *The Board's Liability.* If the Board fails to comply with any of the foregoing warranties, representations, and covenants, and removal or Remediation of any Hazardous Substance found on the Facilities is required by Environmental Requirements or Governmental Authority, the Board shall promptly undertake the removal or Remediation of such Hazardous Substance, at the Board's sole cost and expense. In the event the Board fails or refuses to undertake such removal or Remedial actions, the Corporation may cause the removal or Remediation (or other cleanup reasonable acceptable to the Corporation) of any such Hazardous Substance from the Land or the Facilities. The reasonable costs of removal, Remediation, or any other cleanup (including transportation and storage costs) will be considered as Additional Rental under this Facilities Lease, whether or not a court has ordered the cleanup, and those costs will become due and payable within ninety (90) days of written demand by the Corporation. In connection therewith, the Board will give the Corporation, its agents, and employees access to the Facilities to remove, remediate, or otherwise clean up any Hazardous Substance. The Corporation, however, has no affirmative obligation to remove, remediate, or otherwise clean up any Hazardous Substance, and this Facilities Lease will not be construed as creating any such obligation. The Board hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of any Hazardous Substance located in or about the Facilities by the Board.

Section 20. The Corporation's Reservation of Rights.

(a) The Corporation hereby reserves all of its rights to recover from the Board for any and all Claims asserted against the Corporation, including Litigation Expenses arising out of or by reason of:

(i) any injury to or death of any person or damage to property occurring on or about the Facilities occasioned by or growing out of or arising or resulting from any tortious or negligent act on the part of the Board in connection with the operation and management of the Facilities; or

(ii) any failure, breach, or default on the part of the Board in the performance of or compliance with any of the obligations of the Board under the terms of this Facilities Lease.

(b) Notwithstanding the fact that it is the intention of the parties that the Corporation shall not incur any pecuniary liability by reason of the terms of this Facilities Lease or the undertakings required of the Corporation hereunder, nevertheless, if the Corporation should incur any such pecuniary liability, then in that event, the Corporation shall be entitled to assert all rights and remedies granted in law or in equity to recover from the Board the amount of any pecuniary liability incurred by the Corporation, plus all Litigation Expenses incurred in defense of such liability to the extent subject to indemnification pursuant to Subsection (a) above.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Corporation contained in this Facilities Lease or any Claim based thereon against the Corporation or of any successor thereto or member thereof, either directly or through the Corporation whether by virtue of any constitutional provision, statute, or rule of law. This Facilities Lease and the obligations of the Corporation hereunder, and any Claim asserted against the Corporation are solely corporate obligations, and the enforcement of any obligation or Claim shall be limited solely to the Corporation's interest in the Facilities. No personal liability shall attach to, or be incurred by, any officer, director,

agent, employee or member of the Corporation and the Board acknowledges that all personal liability of any character against every such officer, director, agent, employee or member by the execution of this Facilities Lease, is expressly waived and released. The immunity of any officer, director, agent, employee or member of the Corporation under the provisions contained in this Section 20 shall survive any acquisition of the Facilities by the Board and the expiration or other termination of this Facilities Lease.

Section 21. Default by the Board. If (i) the Board shall fail to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to Section 6 hereof by the close of business on the day such deposit is required pursuant to Section 6 hereof, and shall fail to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under this Lease (other than the payment of Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants or conditions herein, and shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or such longer period as the Trustee may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board shall be deemed to be in default hereunder, and the Corporation shall have the right, at its option, without any further demand or notice to terminate this Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board, in which case the Board's right to possession of the Facilities will cease and this Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing for the period up to the time the Corporation regains possession (which have been approved for payment under this Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board which survive termination of this Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Facilities and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry shall be allowed by the Board without hindrance, and the Corporation shall not be liable in damages for any such re-entry or be guilty of trespass. The Corporation understands and agrees that upon its termination of the Board's right to possession of the Facilities or termination of this Facilities Lease, the Corporation upon its re-entry of the Facilities shall only be allowed to use the Facilities for the Permitted Use and shall be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Facilities.

Notwithstanding any other provision of this Facilities Lease, (i) in no event shall the Corporation have the right to accelerate the payment of any Base Rental payment hereunder and (ii) the Bond Insurer shall have ninety (90) days to cure an Event of Default hereunder.

Notwithstanding anything contained in this Section 21 to the contrary, a failure by the Board to pay when due any payment required to be made under this Facilities Lease or a failure by the Board to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Facilities Lease, resulting from a failure by the Board to appropriate moneys shall not constitute an Event of Default under this Section 21 and the Corporation shall not have any of the remedial rights set forth in this Section 21. Notwithstanding the foregoing, in such event the Board acknowledges that the Facilities Lease shall terminate and the Board shall immediately vacate the Facilities, and deliver the Facilities to the Corporation.

Section 22. Cumulative Remedies. Each right and remedy provided for in this Facilities Lease is cumulative and is in addition to every other right or remedy provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the

exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of any or all other rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of this Facilities Lease or to enforce any provision of this Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by the Board of any breach by the Corporation of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 23. Option to Purchase. For and in consideration of the obligations of the Board under the Facilities Lease, the mutual undertakings of the parties, the receipt and adequacy of which is hereby acknowledged, the Corporation grants to the Board an exclusive and irrevocable option to purchase for the price and on the terms, provisions, stipulations and conditions hereinafter set forth, all but not less than all of the Corporation's leasehold interest in the Facilities.

(a) *Effective Date.* The effective date of this Option agreement shall be the Commencement Date.

(b) *Term of Option.* The Option shall expire at midnight Central Standard Time, on the Expiration Date, or upon the termination of this Facilities Lease, whichever occurs first.

(c) *Limitation on Exercise of Option.* The Board may not exercise the Option, and the Option shall be voidable, at the sole election of the Corporation, if a Default by the Board has occurred and is continuing under the Facilities Lease, and the applicable time period in which the Board may cure such default has expired. Notwithstanding any provision of this Option to the contrary, the Board shall be entitled to exercise the Option as long as the Board is legally obligated to make payments of Base Rental under the Facilities Lease.

(d) *Exercise of Option.* The Board may exercise the Option herein granted at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Bonds are defeased pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Facilities.

(e) *Purchase Price.* The Purchase Price shall be equal to the principal of all Bonds then Outstanding plus the interest to accrue on such Bonds until the purchase date plus any prepayment penalties, charges or costs for early prepayment or defeasance of the Bonds and any Administrative Expenses owed prior to the purchase date which payments are necessary to discharge the Indenture pursuant to Article XII thereof (collectively, the "Purchase Price").

(f) *Effect on Facilities Lease and Ground Lease.* Upon the purchase of the Corporation's leasehold interest in the Facilities by the Board pursuant to this Option, the Facilities Lease and the Ground Lease shall terminate and all of the Corporation's leasehold interest in the Land and the Facilities shall terminate.

(g) *Payment of Purchase Price.* The Board, on the purchase date, shall deposit an amount equal to the Purchase Price with the Trustee.

(i) **Conveyance.** In the event of and upon the payment of the Purchase Price and any other sums due under this Facilities Lease by the Board, the Corporation will on the purchase date execute and deliver to the Board a written cancellation of the Ground Lease and this Facilities Lease.

(ii) **Assignment of Contract Rights and Obligations.** The conveyance of the Corporation's leasehold interest in the Facilities shall also effect a transfer and assignment of all rights, warranties and liabilities of the Corporation under then existing contracts of any nature with respect to the Facilities.

(h) **Closing.** In the event the Option is timely exercised, notice of the Board's election to the Corporation shall constitute an irrevocable conversion of the Option into a binding obligation of the Corporation to sell its leasehold interest in the Facilities and the Board to buy the same under the terms and conditions set forth in this Section 23, and in such event, the Corporation and the Board shall have the right to demand specific performance of this agreement by the other. The closing shall occur at the offices of the Board or its counsel, or at such other time, place, and date as agreed upon by the Corporation and the Board.

(i) **Closing Costs.** The Board shall pay all closing costs and charges incident to the conveyance of the Corporation's interest in the Land and the Facilities.

(j) **No Warranty.** The Corporation shall convey its leasehold interest in the Facilities without any warranty whatsoever of any nature. The conveyance of the leasehold interest in the Facilities shall be without any warranty as to fitness and condition, as set forth in Section 5 of this Facilities Lease. Language substantially similar to the language contained in Section 5 of this Facilities Lease shall be incorporated into and made a part of such conveyance. In no event shall the Corporation be responsible for any defects in title.

(k) **Default under the Option:**

(i) In the event the Option is exercised, and the Corporation fails to consummate the transactions contemplated herein for any reason, except default by the Board or the failure of the Board to satisfy any of the conditions set forth herein, the Board may, in addition to any other rights and remedies which may otherwise be available to the Board, enforce this agreement by specific performance. The Board's remedies under this Section are expressly subject to the provisions of Section 30 of this Facilities Lease.

(ii) In the event the Option is exercised; and the Board fails to consummate the transactions contemplated herein for any reason, except default by the Corporation or the failure of the Corporation to satisfy any of the conditions set forth herein, the Corporation (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the Board's delay; or (b) may bring suit for damages for breach of this agreement.

(iii) No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Section 23 shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any condition or any subsequent breach of the same or any other term, covenant or condition contained in this Section 23 shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

(l) *Attorney's Fees.* Should either party employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this agreement, or to recover damages for the breach of this agreement, the party prevailing in any final judgment shall have the right to collect from the losing party all Litigation Expenses incurred in enforcing such rights.

(m) *Notices.* Any notices required or permitted under this Section 23 shall be in writing and delivered either in person to the other party, or the other party's authorized agent, or by United States Certified Mail, return receipt requested, postage prepaid, to the address set forth in Section 50 of this Facilities Lease, or to such other address as either party may designate in writing and delivered as herein provided.

(n) *Assignability.* Except as set forth in the Indenture, the Mortgage or the Ground Lease, the Option may not be assigned by the Corporation or its interest in the Facilities sold (subject to the Option or otherwise) to any person or entity without the Board's prior written consent, which consent may be withheld by the Board in its sole discretion.

(o) *Time of Essence:* Time is of the essence of this Option.

(p) *Binding Effect:* This Option shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors and assigns.

Section 24. Severability. If any provisions of this Facilities Lease shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable, to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Facilities Lease shall not affect the remaining portions of this Facilities Lease, or any part thereof.

Section 25. Redemption of Bonds. The Corporation agrees that it will not exercise its option to redeem any Bonds pursuant to the Indenture unless the Board consents to such redemption or such redemption is to be effected with moneys derived from a source other than payments made by the Board under this Facilities Lease, however, in no event shall the mandatory redemption of any Bonds pursuant to the Indenture require the consent of the Board. The Corporation further agrees that if requested by the Board it will take all actions necessary to redeem all or any portion of the Bonds designated by the Board on the first date that it may do so under the terms of the Indenture so long as the Board agrees to provide funds in an amount, and at the time, required to effect such redemption.

Section 26. Additional Bonds. Upon the request and at the expense of the Board, the Corporation shall take action as may be required to effect the issuance of Additional Bonds in such amount as the Board may request as permitted by and in accordance with the provisions of the Indenture for any purpose permitted thereby.

Section 27. Execution. This Facilities Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which together shall constitute one and the same Facilities Lease.

Section 28. Law Governing. This Facilities Lease is made in the State under the constitution and laws of the State and is to be governed by the laws of the State.

Section 29. Nonappropriation of Funds. In the event no funds or insufficient funds are lawfully appropriated in any Fiscal Year enabling the payment of Base Rental and Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the month following the Base Rental payment date on which the last payment of Base Rental can be made in full from Lawfully Available Funds, this Facilities Lease shall terminate without penalty or expense to the Board of any kind whatsoever, except as to the portions of Base Rental and Additional Rental payments herein agreed upon for Fiscal Years for which sufficient funds have been lawfully appropriated. In the event of such termination, the Board agrees peaceably to surrender possession of the Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Facilities and re-let or sell the Facilities as the Corporation determines and as granted in this Facilities Lease. The Board acknowledges that the Corporation's rights to take possession and to re-let or sell the Facilities under this Section 29 may be assigned to the Trustee for the benefit of the owners of the Bonds, and the Board agrees that the Trustee shall be entitled to exercise all of the rights of the Corporation under this Section 29. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under this Facilities Lease shall not constitute a default hereunder, but shall ipso facto terminate this Facilities Lease. This provision is operative notwithstanding any provisions of this Facilities Lease to the contrary. The Board shall be considered in default hereunder if sufficient funds are lawfully appropriated for the payment of Rental required under this Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation shall be entitled to the rights and remedies set forth in Sections 21 and 22 hereof.

Section 30. Exculpatory Provision. In the exercise of the powers of the Corporation and its trustees, officers, employees and agents under this Facilities Lease and the Indenture, the Corporation shall not be accountable or liable to the Board (i) for any actions taken or omitted by it or its officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Facilities Lease against any officer, employee or agent of the Corporation in his or her personal capacity, all such liability, if any, being expressly waived by the Board by the execution of this Facilities Lease. Nothing in this Facilities Lease or the Indenture is intended to require or obligate, nor shall anything herein or therein be interpreted to require or obligate, the Corporation for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Corporation other than the funds derived from the issuance of the Bonds under the Indenture and moneys derived pursuant to the Indenture and this Facilities Lease.

The Board specifically agrees to look solely to the Corporation's interest in the Facilities for the recovery of any judgments from the Corporation. It is agreed that the Corporation will not be personally liable for any such judgments, or incur any pecuniary liability as a result of this Facilities Lease to the Board, or the breach of its obligations hereunder. The Corporation's liability under this Facilities Lease is "in rem" as to its interest in the Facilities. The provisions contained in the preceding sentences are not intended to and will not limit any right that the Board might otherwise have to obtain injunctive relief against the Corporation or relief in any suit or action in connection with enforcement or collection of amounts that may become owing or payable under or on account of insurance maintained by the Corporation.

Section 31. Amendments. This Facilities Lease may be amended only as permitted in Article VIII of the Agreement.

Section 32. Recording. The Corporation covenants and agrees that it will promptly record and from time to time re-record a memorandum in recordable form of this Facilities Lease and the

Indenture and all supplements thereto and hereto in such manner and in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Bonds.

Section 33. Construction Against Drafting Party. The Corporation and the Board acknowledge that each of them and their counsel have had an opportunity to review this Facilities Lease and that each Party was responsible for the drafting thereof.

Section 34. Time of the Essence. Time is of the essence of each and every provision of this Facilities Lease.

Section 35. No Waiver. The waiver by the Corporation of any agreement, condition, or provision contained in this Facilities Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Facilities Lease, nor will any custom or practice that may grow up between the parties in the administration of the terms of this Facilities Lease be construed to waive or to lessen the right of the Corporation to insist upon the performance by the Board in strict accordance with the terms of this Facilities Lease. The subsequent acceptance of Rental by the Corporation will not be deemed to be a waiver of any preceding breach by the Board of any agreement, condition, or provision of this Facilities Lease, other than the failure of the Board to pay the particular Rental so accepted, regardless of the Corporation's knowledge of such preceding breach at the time of acceptance of such Rental.

Section 36. Survival. To the extent permitted by law and to the extent such will not constitute the incurrence of debt by the Board, all of the Corporation's remedies and rights of recovery under Sections 19 and 20 of this Facilities Lease shall survive the Term and/or the purchase of the Facilities by the Board under the Option.

Section 37. Counterparts. This Facilities Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

Section 38. Estoppel Certificates. At any time and from time to time but within ten (10) days after prior written request by the Corporation, the Board will execute, acknowledge, and deliver to the Corporation, promptly upon request but only to the extent accurate, a certificate certifying (i) that this Facilities Lease is unmodified and in full force and effect or, if there have been modifications, that this Facilities Lease is in full force and effect, as modified, and stating the date and nature of each modification; (ii) the date, if any, to which Rental and other sums payable under this Facilities Lease have been paid; (iii) that no Notice of any default has been delivered to the Corporation which default has not been cured, except as to defaults specified in said certificate; (iv) that there is no Event of Default under this Facilities Lease or an event which, with Notice or the passage of time, or both, would result in an Event of Default under this Facilities Lease, except for defaults specified in said certificate; and (v) such other matters as may be reasonably requested by the Corporation. Any such certificate may be relied upon by any prospective purchaser or existing or prospective mortgagee of the Facilities or any part thereof. The Board's failure to notify the Corporation of any inaccuracies in the proposed certificate within the specified time period shall be conclusive evidence that the matters set forth in the certificate are accurate and correct.

Section 39. Waiver of Jury Trial. The Corporation and the Board waive trial by jury in any action, proceeding, or counterclaim brought by either of the Parties to this Facilities Lease against the other on any matters whatsoever arising out of or in any way connected with this Facilities Lease, the relationship of the Corporation and the Board, the Board's use or occupancy of the Facilities, or any other Claims, and any emergency statutory or any other statutory remedy.

Section 40. Written Amendment Required. No amendment, alteration, modification of, or addition to the Facilities Lease will be valid or binding unless expressed in writing and signed by the Corporation and the Board and consented to the extent required by Article VIII of the Agreement.

Section 41. Entire Agreement. This Facilities Lease, the exhibits and addenda, if any, contain the entire agreement between the Corporation and the Board. No promises or representations, except as contained in this Facilities Lease, have been made to the Board respecting the condition or the manner of operating the Facilities.

Section 42. Signs. The Board may attach any sign on any part of the Facilities, or in the halls, lobbies, windows, or elevator banks of the Facilities, without the Corporation approval. The Board may name the Facilities and change the name, number, or designation of the Facilities, without the Corporation's prior consent.

Section 43. Litigation Expenses. The Board will pay the Corporation as Additional Rental all reasonable Litigation Expenses and all other reasonable expenses which may be incurred by the Corporation in enforcing any of the obligations of the Board under this Facilities Lease, in exercising its rights to recover against the Board for loss or damage sustained in accordance with the provisions of this Facilities Lease, or in any litigation or negotiation in which the Corporation shall, without its fault, become involved through or because of this Facilities Lease.

Section 44. Brokers. The Corporation and the Board respectively represent and warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Facilities.

Section 45. No Easements for Air or Light. Any diminution or shutting off of light, air, or view by any structure that may be erected on any of the lands constituting the Facilities, or on lands adjacent to the Facilities, will in no way affect this Facilities Lease or impose any liability on the Corporation. This Facilities Lease does not grant any rights to light, view and/or air over the Facilities whatsoever.

Section 46. Binding Effect. The covenants, conditions, and agreements contained in this Facilities Lease will bind and inure to the benefit of the Corporation and the Board and their respective permitted successors and assigns.

Section 47. Rules of Interpretation. The following rules shall apply to the construction of this Facilities Lease unless the context requires otherwise: (a) the singular includes the plural and the plural includes the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to "writing" include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words "including" "includes" and "include" shall be deemed to be followed by words "without limitation"; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivision of sections), exhibits, appendices, annexes or schedules are to those of this Facilities Lease unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments; (h) references to Persons include their respective successors and assigns to the extent successors or assigns are permitted or not prohibited by the terms of this Facilities Lease; (i) any accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles; (j) "or" is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which

have expired shall be of no force and effect after such termination, release, or expiration; (m) references to mail shall be deemed to refer to first-class mail, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Hammond, Louisiana time; (o) references to specific persons, positions, or officers shall include those who or which succeed to or perform their respective functions, duties, or responsibilities; and (p) the terms "herein", "hereunder" "hereby" "hereof," and any similar terms refer to this Facilities Lease as a whole and not to any particular articles, section or subdivision hereof.

Section 48. Relationship of Parties. The relationship of the Parties shall be one of lessor and lessee only, and shall not be considered a partnership, joint venture, license arrangement or unincorporated association. The Corporation is not controlled by the Board or under the control of any Person also in control of the Board.

Section 49. Law Between the Parties. This Facilities Lease shall constitute the law between the Parties, and if any provision of this Facilities Lease is in conflict with the provisions of "Title IX - Of Lease" of the Louisiana Civil Code, Articles 2669 through 2777, inclusive, the provisions of this Facilities Lease shall control.

Section 50. Notices. All notices, filings and other communications ("Notice") shall be in writing and shall be sufficiently given and served upon the other parties if delivered by hand directly to the persons at the addresses set forth below, or shall be sent by first class mail, postage prepaid, addressed as follows:

The Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

With copies at the same time to:

Seale & Ross
200 North Cate Street
Hammond, Louisiana 70404
Attention: T. Jay Seale

The Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

Trustee:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Department

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned representative has signed this Amended and Restated Agreement to Lease with Option to Purchase on behalf of the Board of Supervisors for the University of Louisiana System as of the ____ day of _____, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: _____

IN WITNESS WHEREOF, the undersigned representative has signed this Amended and Restated Agreement to Lease with Option to Purchase on behalf of University Facilities, Inc. on the _____ day of _____, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

BE IT KNOWN, that on this _____ day of _____, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University, and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "*Board*"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

By: _____

NOTARY PUBLIC

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this ___ day of _____, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the _____ of University Facilities, Inc. (the "*Corporation*"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

WITNESSES:

By:

NOTARY PUBLIC

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)
2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardiplank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardiplank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

SECTION 2. EXHIBIT A-1 to the Facilities Lease shall read as follows:

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

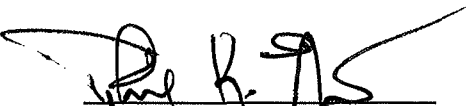
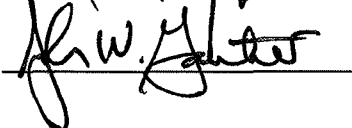
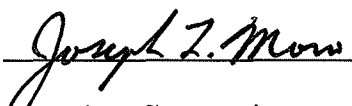
The Intermodal Parking Facility will consist of approximately 450 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It will contain four parking levels containing 154,000 square feet.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements will include expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom spaces. It will consist of two levels containing approximately 24,000 square feet.

| 46 | Name | Title | Signature |
|----|--------------------|---|---|
| 47 | Phil K. Livingston | President/ Chairman |  |
| 48 | John W. Gautier | Vice Chairman |  |
| 49 | Joseph Morris | Secretary/ Treasurer and Executive Director |  |
| 50 | | | |
| 51 | | | |
| 52 | | | |
| 53 | | | |
| 54 | | | |
| 55 | | | |
| 56 | | | |
| 57 | | | |
| 58 | | | |
| 59 | | | |
| 60 | | | |
| 61 | | | |
| 62 | | | |
| 63 | | | |
| 64 | | | |
| 65 | | | |
| 66 | | | |
| 67 | | | |
| 68 | | | |
| 69 | | | |
| 70 | | | |
| 71 | | | |
| 72 | | | |
| 73 | | | |
| 74 | | | |
| 75 | | | |
| 76 | | | |
| 77 | | | |
| 78 | | | |
| 79 | | | |
| 80 | | | |
| 81 | | | |
| 82 | | | |
| 83 | | | |
| 84 | | | |
| 85 | | | |
| 86 | | | |
| 87 | | | |
| 88 | | | |
| 89 | | | |
| 90 | | | |
| 91 | | | |

6. The following documents are collectively referred to as the "Corporation Documents":

- The Articles of Incorporation, the Bylaws, and the minute book of the Corporation.
- The Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the "*First Supplemental Indenture*" and, together with the Original Indenture, the "*Indenture*") each between the Issuer and The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, as successor in interest to Bank of New York Trust Company, N.A., as trustee (the "*Trustee*").
- The Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated March 1, 2007 (the "*First Amendment to Ground Lease*"), as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of July 12, 2012 (the "*Second Amendment to Ground Lease*"), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease dated as of November 1, 2013 (the "*Third Supplemental Ground Lease*" and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the "*Ground Lease*"), each by and between the Board of Supervisors for the University of Louisiana System (the "*Board*"), as Lessor, and the Corporation, as Lessee.
- The Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as

92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137

supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*"), as further supplemented and amended by a Second Amendment to Supplemental Lease with Option to Purchase dated as of June 12, 2012 (the "*Second Amendment to Facilities Lease*"), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "*Third Supplemental Facilities Lease*" and, together with the Original Facilities Lease and the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the "*Facilities Lease*"), each by and between the Corporation, as Lessor, and the Board, as Lessee.

- The Loan and Assignment Agreement dated as of August 1, 2004 (the "*Original Loan Agreement*"), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 each by and between the Authority and the Corporation (the "*Supplemental Agreement*" and, together with the Original Loan Agreement, the "*Loan Agreement*").
- The Mortgage, Assignment of Leases and Security Agreement (the "Mortgage") dated as of August 1, 2004, by the Corporation in favor of the Trustee.
- The Tax Regulatory Agreement and Arbitrage Certificate (the "Tax Agreement") dated November 13, 2013, by and among the Authority, the Corporation, the Board, and the Trustee.
- The Bond Purchase Agreement (the "Bond Purchase Agreement") dated as of November 5, 2013, among the Authority, the Corporation, and Stephens Inc., and Raymond James & Associates, Inc., as Co-Underwriters (collectively, the "Underwriter").
- The Official Statement (the "Official Statement") dated November 5, 2013, relating to the Series 2013 Bonds.

7. Attached hereto as **Exhibit E** is a copy of the resolution of the Corporation dated August 6, 2013, (the "Resolution"). Said Resolution is a true, complete and correct copy of the Resolution and the Resolution remains in full force and effect without modification, alteration or amendment.

138 8. Pursuant to the Bond Purchase Agreement among the Corporation, the
139 Authority, the Board, and the Underwriters named therein, I hereby certify
140 that:

141
142 (a) (1) each of the representations and warranties of the
143 Corporation contained in the Bond Purchase Agreement
144 and, to the best of its knowledge, in the Corporation
145 Documents, is true, accurate and complete in every material
146 respect on the Closing Date as if made on and as of the
147 Closing Date, and (2) all of the agreement of the Corporation
148 to be complied with and each, of the obligations to be
149 performed by the Corporation under the Bond Purchase
150 Agreement and under all of the Corporation Documents on
151 or prior to the Closing Date have been complied with and
152 performed in every material aspect;

153
154 (b) The information in the Official Statement relating to the
155 Corporation, as of such date, is accurate in all material
156 respects, and does not include any untrue statements of a
157 material fact or omit to state any material fact necessary to
158 make the statements made therein, in light of the
159 circumstances under which they were made, not misleading;

160
161 (c) Except as disclosed in the Official Statement, there is neither
162 pending nor, to the best of the knowledge of the Corporation,
163 threatened against the Corporation any action, suit, other
164 proceeding, inquiry or investigation, at law or in equity,
165 before or by any court, governmental agency, authority,
166 board, body or arbitrator or, to the best of the knowledge of
167 the Corporation, is there any basis therefor, wherein an
168 unfavorable decision, ruling or funding would materially
169 adversely affect the validity or enforceability or the
170 Corporation Documents, the Official Statement or any
171 agreement or instrument to which the Corporation is a party
172 or by which it is bound, and which is used or contemplated
173 for use in the consummation of the transactions
174 contemplated therein, or which would materially adversely
175 affect the transactions contemplated by the foregoing, or
176 which would adversely affect the exclusion from gross
177 income of the interest on the Bonds for federal income tax
178 purposes.

179
180
181
182
183

184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202

IN WITNESS WHEREOF, the undersigned has hereunto set his signature as of the 13th day of November, 2013.

UNIVERSITY FACILITIES, INC.

By: Joseph J. Morris
JOSEPH MORRIS, Executive Director

Acknowledgment and Signature Identification:

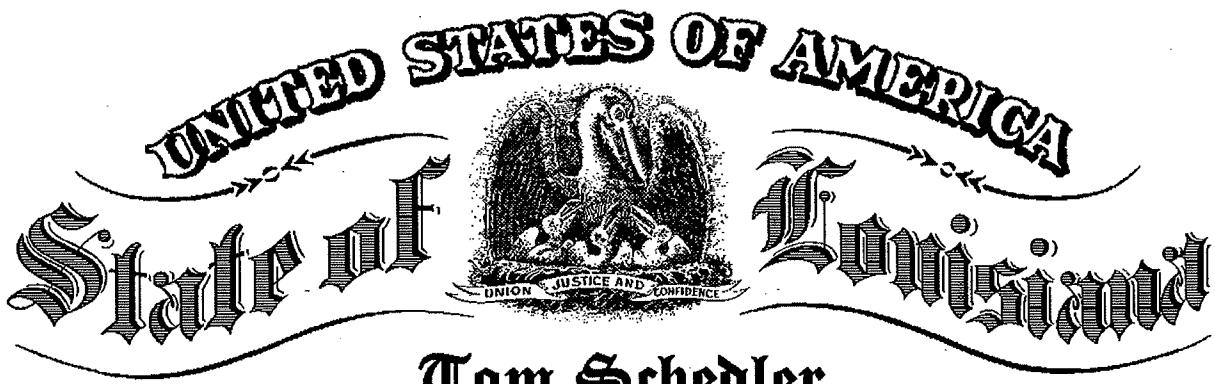
By: Phil K. Livingston
PHIL K. LIVINGSTON, President/Chairman

203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224

Exhibits:

- Exhibit A:** Certificate of Good Standing of the Corporation in the State of Louisiana issued by the Secretary of State of the State of Louisiana.
- Exhibit B:** Certified copy of the Articles of Incorporation of the Corporation, together with any amendments thereto, as in effect on the date hereof.
- Exhibit C:** True, correct and complete copy of the By-Laws of the Corporation, together with any amendments thereto, as in effect on the date hereof.
- Exhibit D:** A copy of the IRS Determination Letter for the Corporation dated March 10, 1999 (the "IRS Determination Letter").
- Exhibit E:** A copy of the resolution of the Corporation dated August 6, 2013 (the "Resolution").

End of Document



Tom Schedler
SECRETARY OF STATE

As Secretary of State, of the State of Louisiana, I do hereby Certify that

UNIVERSITY FACILITIES, INC.

A corporation domiciled in HAMMOND, LOUISIANA,

Filed charter and qualified to do business in this State on November 10, 1997,

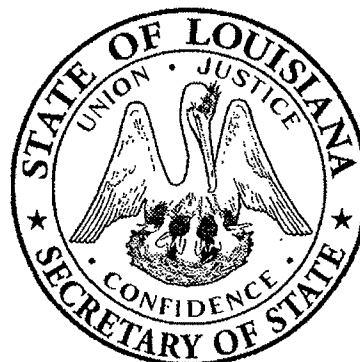
I further certify that the records of this Office indicate the corporation has paid all fees due the Secretary of State, and so far as the Office of the Secretary of State is concerned is in good standing and is authorized to do business in this State as a Non-Profit Corporation.

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on,

November 6, 2013

Secretary of State

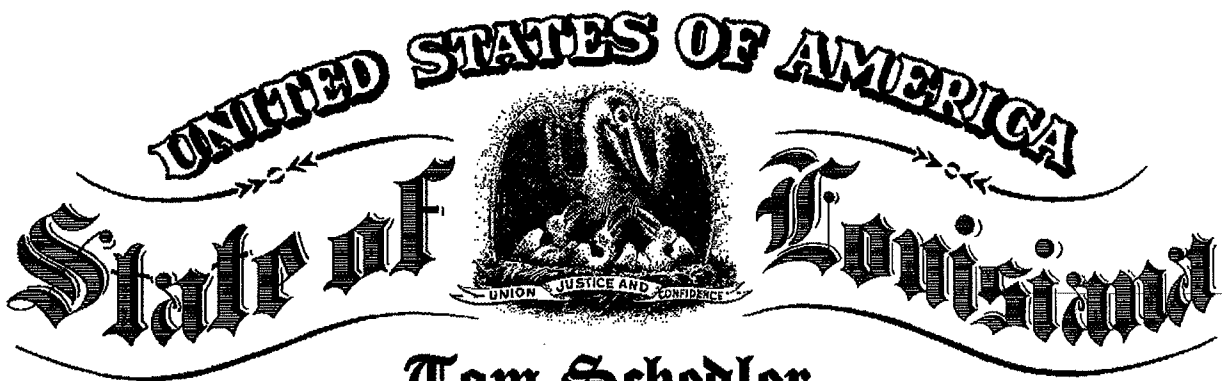
Web 34576750N



Certificate ID: 10433980#T9R93

To validate this certificate, visit the following web site, go to **Commercial Division, Certificate Validation**, then follow the instructions displayed.

www.sos.louisiana.gov



Tom Schedler
SECRETARY OF STATE

As Secretary of State of the State of Louisiana I do hereby Certify that

the attached document(s) of

UNIVERSITY FACILITIES, INC.

are true and correct and are filed in the Louisiana Secretary of State's Office.

| | | | |
|-----------|-------|------------|------------|
| 34576750N | ORIGF | 11/10/1997 | 7 page (s) |
| 34610339 | AMEND | 2/5/1998 | 2 page (s) |
| 34706277 | AMEND | 11/10/1998 | 2 page (s) |
| 41243182 | 12 AR | 7/28/2013 | 1 page (s) |

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on,

November 8, 2013

Secretary of State

WEB 34576750N



Certificate ID: 10434843#NJH62

To validate this certificate, visit the following web site, go to **Commercial Division, Certificate Validation**, then follow the instructions displayed.
www.sos.louisiana.gov

**ARTICLES OF INCORPORATION OF
UNIVERSITY FACILITIES, INC.
A NONPROFIT CORPORATION**

**STATE OF LOUISIANA
PARISH OF TANGIPAHOA**

Before the undersigned Notary Public, duly commissioned and qualified, and in the presence of the undersigned competent witnesses, personally appeared:

Phil K. Livingston, a resident of the full age of majority of Tangipahoa Parish, Louisiana, with a mailing address of 1543 West Belleridge Drive, Hammond, Louisiana 70401;

who declared, in the presence of the undersigned notary public and in the presence of the undersigned competent witnesses, that, availing himself of the provisions of the Louisiana Nonprofit Corporation Law (Title 12, Chapter 2, Louisiana Revised Statutes 1950, as revised and codified by Acts 1968, No. 105, Legislature of Louisiana, and as thereafter amended), he does hereby organize a nonprofit corporation in pursuance of that law, under and in accordance with the following Articles of Incorporation:

ARTICLE 1

NAME

The name of this corporation is **UNIVERSITY FACILITIES, INC.**

ARTICLE 2

OBJECTS AND PURPOSES

The exclusive object and purpose for which this corporation is formed is to promote, assist and benefit the mission of Southeastern Louisiana University by engaging in any lawful activity in which a nonprofit corporation meeting the requirements of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("IRC" or "Code"), may engage, all in accordance with the directions received from its Board of Directors, specifically including, but not limited to, acquiring, constructing, developing, managing, leasing as lessor or lessee, mortgaging and/or conveying student housing and other facilities on the campus of Southeastern Louisiana University (the "University").

In carrying out this object and purpose, the corporation shall have and enjoy every power and authority granted by the Louisiana Nonprofit Corporation Law.

ARTICLE 3

DURATION

The duration of this corporation shall be in perpetuity, or such maximum period as may be authorized by the Louisiana Nonprofit Corporation Law.

ARTICLE 4

NONPROFIT CORPORATION

This corporation is a nonprofit corporation.

ARTICLE 5

REGISTERED OFFICE

The registered office of the corporation shall be located at:

8555 United Plaza Boulevard, 5th Floor
Baton Rouge, Louisiana 70809

ARTICLE 6

REGISTERED AGENT

The full name and address of the corporation's registered agent is:

Michael C. Herbert
8555 United Plaza Boulevard, 5th Floor
Baton Rouge, Louisiana 70809

ARTICLE 7
INCORPORATOR

The full name and address of the incorporator is:

Phil K. Livingston
1505 University Drive
Hammond, Louisiana 70401

ARTICLE 8
BOARD OF DIRECTORS

SECTION 1: Unless and until otherwise provided in the By-laws, all of the corporate powers of this corporation shall be vested in and all of the business and affairs of this corporation shall be managed by the Board of Directors.

SECTION 2: Subject to Article 8, Section 3 below which sets forth the initial Board of Directors, the number, qualifications, manner of election and removal from office, length of terms, meeting and voting procedures, powers and duties of the Board of Directors shall be prescribed in the By-laws of the corporation.

SECTION 3: The initial Board of Directors shall consist of three (3) members whose names, physical addresses and length of initial terms are as follows:

| Name and Address | End of Term: |
|---|---------------------|
| Phil K. Livingston 1505 University Drive Hammond, Louisiana 70401 | 6/30/2001 |
| Stephen Smith 213 College Drive Hammond, Louisiana 70401 | 6/30/1999 |
| Charles Redmond 1543 West Belleridge Drive Baton Rouge, Louisiana 70815 | 6/30/2000 |

ARTICLE 9

MEMBERSHIP

SECTION 1: This corporation is organized on a non-stock basis.

SECTION 2: The Board of Directors shall comprise the entire membership of the corporation.

ARTICLE 10

ASSETS OF THE CORPORATION

SECTION 1: All revenues collected by the corporation shall be used by it to carry out its objects and purposes.

SECTION 2: The corporation shall observe all local, state and federal laws which apply to nonprofit organizations meeting the requirements of IRC Section 501(c)(3). Upon the dissolution or final liquidation of the corporation, any assets and funds of the corporation which exceed its outstanding liabilities shall be transferred, paid, distributed and delivered to the University. In no event shall the directors, officers or members of this corporation receive any of the corporation's assets or funds upon its dissolution or final liquidation.

ARTICLE 11

CORPORATE ACTIVITIES

SECTION 1: No part of the net earnings or other funds of the corporation shall inure to the benefit of or be distributed to its directors, officers, or other persons, except that the corporation shall be authorized and empowered to pay reasonable expenses incurred for services actually rendered on its behalf and to make payments and distributions in furtherance of the objects and purposes of the corporation.

SECTION 2: No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended or (c) by a nonprofit corporation under the laws of the State of Louisiana, as amended.

SECTION 3: All actions taken by the corporation shall implement the mission, objects and purposes of the corporation and conform with applicable laws and regulations providing tax exempt status.

ARTICLE 12

AMENDMENTS AND DISSOLUTION

SECTION 1: These Articles of Incorporation may be amended by a two-thirds (2/3) vote of the Board of Directors in accordance with the notice requirements set out in the By-laws of the corporation.

SECTION 2: Authorization of the voluntary dissolution or liquidation of the corporation shall be taken only by a two-thirds (2/3) vote of the Board of Directors of the corporation and as is otherwise provided in the By-laws of the corporation.

ARTICLE 13

CORPORATE LIABILITY AND INDEMNIFICATION

SECTION 1: No incorporator, director, officer, employee, member or agent of this corporation shall ever be held liable or responsible for the contracts, debts or defaults of the corporation, nor shall any mere informality in organization have the effect of rendering these Articles of Incorporation null or of exposing the incorporator, director, officer, employee, member or agent to any liability whatsoever.

SECTION 2: The corporation shall indemnify and hold harmless each incorporator, director, officer, employee, member or agent now or hereafter serving the corporation in accordance with the terms and conditions set forth in the By-laws of the corporation.

THUS DONE AND PASSED at Hammond, Louisiana, on the 10th day of November, 1997,
in the presence of the undersigned Notary Public and competent witnesses.

WITNESSES:

INCORPORATOR:

Joni W. Notaraine
Sandra Donuaino

Phil K. Livingston
Phil K. Livingston

Michael C. Herbert
NOTARY PUBLIC

MICHAEL C. HERBERT, NOTARY PUBLIC
MY COMMISSION EXPIRES AT DEATH

**AFFIDAVIT OF ACCEPTANCE OF APPOINTMENT
BY DESIGNATED REGISTERED AGENT**

To the Corporation Department of the Secretary of State,
State of Louisiana

**STATE OF LOUISIANA
PARISH OF TANGIPAHOA**

On this 10th day of November, 1997, before me, a Notary Public in and for the State and Parish aforesaid, personally came and appeared Michael C. Herbert, who is to me known to be the person, and who, being duly sworn, acknowledged to me that he does hereby accept appointment as the registered agent of **University Facilities, Inc.**, a nonprofit corporation authorized to transact business in the State of Louisiana pursuant to the provisions of the Louisiana Nonprofit Corporation Law (Title 12, Chapter 2, Louisiana Revised Statutes 1950, as revised and codified by Acts 1968, No. 105, Legislature of Louisiana).



Michael C. Herbert

SWORN TO AND SUBSCRIBED before me, this 10th day of November, 1997.



NOTARY PUBLIC

**CERTIFICATE OF CORRECTION TO
ARTICLES OF INCORPORATION OF
UNIVERSITY FACILITIES, INC.**

**STATE OF LOUISIANA
PARISH OF TANGIPAHOA**

BEFORE ME, the undersigned Notary Public in and for the State of Louisiana, and in the presence of the undersigned competent witnesses, personally appeared the persons whose names are hereunto subscribed, who declared that:

A. University Facilities, Inc. (the "Corporation") is a non-profit corporation organized under the laws of the State of Louisiana by and under Articles of Incorporation dated November 10, 1997, which have been filed of record in the Office of the Louisiana Secretary of State on November 10, 1997.

B. Certain errors in the Articles of Incorporation have been discovered and therefore the Corporation desires to correct its Articles of Incorporation as set forth below.

C. In accordance with the provisions of the Louisiana Non-Profit Corporation Law (Title 12, Chapter 2, Louisiana Revised Statute 1950, as revised and codified by Act 1968, No. 105, Legislature of Louisiana, and as thereafter amended), the Corporation hereby corrects its Articles of Incorporation as follows:

D. In order to correct the address of the incorporator of the corporation shown in the appearance clause on the first page of the Articles of Incorporation, said appearance clause is hereby deleted in its entirety and in lieu thereof is placed the following:

"Phil K. Livingston, a resident of the full age of majority of Tangipahoa Parish, Louisiana, with a mailing address of 1505 University Drive, Hammond, Louisiana 70401"

E. In order to correct the name of the third member of the Board of Directors listed in Article 8, Section 3 of the Articles of Incorporation at the bottom of page 3, the information relating to said member is hereby deleted in its entirety and in lieu thereof is placed the following:

"Charles Redman
1543 West Belleridge Drive
Baton Rouge, Louisiana 70815"

G. In all other respects the Articles of Incorporation of the Corporation are correct.

THUS DONE AND PASSED at Hammond, Louisiana, on the 23rd day of December, 1997, in the presence of the undersigned Notary Public and competent witnesses:

WITNESSES:

Stanley L. Knight

Stephen Smith
Stephen Smith, President and Chairperson

Charles J. Hugueny

Nick J. Bruno
Nick J. Bruno, Secretary and Executive Director

Paul M. Regy
Notary Public

AMENDMENT TO THE
ARTICLES OF INCORPORATION
UNIVERSITY FACILITIES, INC.

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF TANGIPAHOA

BE IT KNOWN, that on the 27th day of October, 1998,

BEFORE ME, the undersigned authority, a Notary Public, duly commissioned and qualified in and for the aforesaid Parish and State, and in the presence of the undersigned competent witnesses, personally came and appeared:

STEPHEN SMITH AND NICK J. BRUNO

President and Secretary of the Corporation, who declared unto me, Notary, that they are the persons authorized and directed by a resolution of a special meeting of the Members and Directors of the Corporation held on October 6, 1998, to execute this Amendment to the Articles of Incorporation and that at said meeting, a majority of the Corporation's Directors were present and both Directors present did vote in favor of the resolutions adopted at said meeting.

Appearer further declared that in accordance with the resolutions adopted at said meeting Article 2 of the Articles of Incorporation is hereby amended to include the following language after the last sentence, to-wit:

The Corporation shall also have the express authority to enter into consulting agreements and provide consulting services to third parties, for a fee, to the extent that the receipt of such fees do not affect the exempt status of the Corporation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

Appearers further declared that in all other respects the Articles of Incorporation and all other amendments thereto shall remain in full force and effect.

THUS DONE AND SIGNED in multiple originals in my office in Hammond, Louisiana, on the day, month and year hereinabove first written, and in the presence of the undersigned

competent witnesses who hereunto sign their names with the said Appearer and me, Notary,
after due reading of the whole.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Mary A. Costanza

BY:

Stephen Smith

STEPHEN SMITH, PRESIDENT




Charles J. Supry

BY:

Nick J. Bruno

NICK J. BRUNO, SECRETARY

Patrick K. Ross
NOTARY PUBLIC

| | | | | | | | | | | | | | | |
|--|--|--|---------------------------------------|-------------------------|---|-------------|---------------|------------|---|--|-----------------------|-----------------|--|--|
| Tom Schedler Secretary of State  | DOMESTIC CORPORATION ANNUAL REPORT For Period Ending 11/10/2012 |  34576750N  2012 | | | | | | | | | | | | |
| Mailing Address Only (INDICATE CHANGES TO THIS ADDRESS IN THIS BOX) 34576750 N UNIVERSITY FACILITIES, INC. C/O MR. STEPHEN SMITH BOX 746, SLU HAMMOND, LA 70402 | (INDICATE CHANGES TO THIS ADDRESS IN THIS BOX) Registered Office Address in Louisiana (Do not use P. O. Box) 20039 RIVER CREST DR HAMMOND, LA 70403 <div style="border: 1px solid black; width: 100px; height: 20px; float: right; margin-top: 10px;">Federal Tax ID Number</div> | | | | | | | | | | | | | |
| Our records indicate the following registered agents for the corporation. Indicate any changes or deletions below. All agents must have a Louisiana address. Do not use a P. O. Box. A NEW REGISTERED AGENT REQUIRES A NOTARIZED SIGNATURE. T. JAY SEALE, III 200 NORTH CATE ST. HAMMOND, LA 70401 | | | | | | | | | | | | | | |
| I hereby accept the appointment of registered agent(s). <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 10px;"></div> | Sworn to and subscribed before me on NOTARY NAME MUST BE TYPED OR PRINTED WITH NOTARY # <table style="width:100%; border: none;"> <tr> <td style="width:50%; border: none;">New Registered Agent Signature</td> <td style="width:50%; border: none;">Notary Signature</td> </tr> <tr> <td style="width:50%; border: none;"></td> <td style="width:50%; border: none;">Date</td> </tr> </table> | | New Registered Agent Signature | Notary Signature | | Date | | | | | | | | |
| New Registered Agent Signature | Notary Signature | | | | | | | | | | | | | |
| | Date | | | | | | | | | | | | | |
| This report reflects a maximum of three officers or directors from our records for this corporation. Indicate any changes or deletions below. Include a listing of all names along with each title held and their address. Do not use a P. O. Box. If additional space is needed attach an addendum. | | | | | | | | | | | | | | |
| <table style="width:100%; border: none;"> <tr> <td style="width:50%; border: none;">PHIL K. LIVINGSTON</td> <td style="width:50%; border: none;">Director</td> </tr> <tr> <td style="border: none;">1505 UNIVERSITY DRIVE HAMMOND, LA 70401</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">STEPHEN SMITH</td> <td style="border: none;">Director</td> </tr> <tr> <td style="border: none;">20039 RIVER CREST DR. HAMMOND, LA 70403</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">JOHN W. GAUTIER</td> <td style="border: none;">Director</td> </tr> <tr> <td style="border: none;">1301 N. GENERAL PERSHING HAMMOND, LA 70401</td> <td style="border: none;"></td> </tr> </table> | | | PHIL K. LIVINGSTON | Director | 1505 UNIVERSITY DRIVE HAMMOND, LA 70401 | | STEPHEN SMITH | Director | 20039 RIVER CREST DR. HAMMOND, LA 70403 | | JOHN W. GAUTIER | Director | 1301 N. GENERAL PERSHING HAMMOND, LA 70401 | |
| PHIL K. LIVINGSTON | Director | | | | | | | | | | | | | |
| 1505 UNIVERSITY DRIVE HAMMOND, LA 70401 | | | | | | | | | | | | | | |
| STEPHEN SMITH | Director | | | | | | | | | | | | | |
| 20039 RIVER CREST DR. HAMMOND, LA 70403 | | | | | | | | | | | | | | |
| JOHN W. GAUTIER | Director | | | | | | | | | | | | | |
| 1301 N. GENERAL PERSHING HAMMOND, LA 70401 | | | | | | | | | | | | | | |
| The filing of a false public record, with the knowledge of its falsity, is a crime, subjecting the filer to the fine or imprisonment or both under R.S. 14:133. | | | | | | | | | | | | | | |
| SIGN → | To be signed by an officer or director STEPHEN SMITH (SIGNED ELECTRONICALLY) Signee's address | <table style="width:100%; border: none;"> <tr> <td style="width:25%; border: none;">Title</td> <td style="width:25%; border: none;">Phone</td> <td style="width:50%; border: none;">Date</td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"></td> <td style="border: none;">07/28/2013</td> </tr> <tr> <td colspan="2" style="border: none;">Email Address</td> <td style="border: none;">(For Office Use Only)</td> </tr> <tr> <td colspan="2" style="border: none;">ssmith@selu.edu</td> <td style="border: none;"></td> </tr> </table> | Title | Phone | Date | | | 07/28/2013 | Email Address | | (For Office Use Only) | ssmith@selu.edu | | |
| Title | Phone | Date | | | | | | | | | | | | |
| | | 07/28/2013 | | | | | | | | | | | | |
| Email Address | | (For Office Use Only) | | | | | | | | | | | | |
| ssmith@selu.edu | | | | | | | | | | | | | | |
| Enclose filing fee of \$5.00 Return by: 11/10/2012 Make remittance payable to Secretary of State Do Not Send Cash To: Commercial Division Do Not Staple P. O. Box 94125 Baton Rouge, LA 70804-9125 Phone (225) 925-4704 | | | | | | | | | | | | | | |
| web site: www.sos.louisiana.gov DO NOT STAPLE | | 3 | | | | | | | | | | | | |

IF POSTMARKED AFTER AUGUST 1, 2013, ENCLOSE AN ADDITIONAL \$5.00 FILING FEE.

Restated to include Amendments of:

October 26, 1998

June 21, 2000

August 10, 2004

August 6, 2013

BY-LAWS
OF
UNIVERSITY FACILITIES, INC,

PREAMBLE

University Facilities, Inc. (the "Corporation"), by its Board of Directors (collectively "**Board**"), does hereby adopt the following By-laws ("**By-laws**"):

ARTICLE I

GENERAL

SECTION 1: Name. This organization is a nonprofit corporation under the laws of the State of Louisiana, and shall be known as "University Facilities, Inc."

SECTION 2: Principal Office. The principal office of the Corporation shall be located at 213 College Drive, Hammond, Louisiana 70401. The registered office of the Corporation shall be located at 8555 United Plaza Boulevard, 5th Floor, Baton Rouge, Louisiana 70809. The Corporation may change the principal and/or registered office or have such additional offices as the Board, may, from time to time, determine to be in the best interest of the Corporation.

SECTION 3: Mission and Objectives.

(A) **Mission Statement.** The mission of the Corporation ("**Mission**") shall be to promote, assist and benefit the educational, scientific, research and public service mission of Southeastern Louisiana University (the "**University**").

(B) **Corporate Objectives.** The implementation of the Mission shall include the following, non-exclusive objectives (collectively "**Corporate Objectives**"):

1. To acquire, construct, develop, manage, lease as lessor or lessee, mortgage and/or convey student housing and other facilities on the campus of the

University.

2. To provide financial assistance to the University and its students and to aid and facilitate the carrying on by the University of its mission.

3. To engage in any other lawful activity deemed by the Corporation necessary or advisable in order to support and assist the University in carrying out its mission and objectives.

4. The Corporation shall also have the express authority to enter into consulting agreements and provide consulting services to third parties, for a fee, to the extent that the receipt of such fees do not affect the exempt status of the Corporation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

SECTION 4: Limitation of Authority. The Corporation and its activities shall be nonpartisan, nonsectional and nonsectarian. It shall observe all local, state and federal laws which apply to nonprofit organizations as defined in Section 501 (c)(3) of the Internal Revenue Code of 1986, as amended ("IRC"), or any subsequent provisions. No part of the Corporation's net earnings shall inure to the benefit of any Member or other person. The Corporation is not organized for profit and shall not engage in any activity ordinarily carried on for profit that is not in furtherance of its exempt purpose.

ARTICLE II

MEMBERSHIP

SECTION 1: Non-Stock Membership. The Corporation is organized on a membership and not a stock basis.

SECTION 2: Eligibility. The Board shall constitute the entire membership of the Corporation.

ARTICLE III

SELECTION OF BOARD

SECTION 1: Function. The complete direction and management of the affairs of the Corporation and the control and disposition of its properties and funds shall be vested in the Board. The duties of the Board shall include, but shall not be limited to, establishing policies and making decisions for the Corporation, electing subsequent members of the Board of Directors (the "**Directors**") and electing officers.

SECTION 2: Number. The number of Directors shall consist of between three (3) and five (5) individuals, as determined from time to time by the Board

SECTION 3: Composition. Every seat on the Board to be filled because of the expiration of the term of a Director shall be filled by the majority vote of the remaining Directors whose seats are not being filled as set forth herein. If there are three or four Directors, one of the seats on the Board (the “**University Seat**”) shall be filled by persons nominated by the President of the University and the remaining two or three seats on the Board (the “**At Large Seats**”) shall be filled by persons nominated by the remaining Director whose At Large Seat is not being filled. If there are five Directors, there shall be two University Seats filled by persons nominated by the President of the University and the remaining three seats shall be At Large Seats filled by persons nominated by the remaining Directors whose At Large Seats are not being filled. The procedure for the nomination and election of Directors shall be in accordance with Section 6 of this Article.

SECTION 4: Terms.

(A) **Three-Year Terms.** The Directors shall serve three (3) year terms.

(B) **The Term for University Seats.** Directors holding university seats shall serve for the term for which they are elected as determined according to these By-Laws; provided, however, that they shall vacate their seats on the Board in the event that they are no longer employed by the university. Such vacancy shall be filled in accordance with Section 8 below.

SECTION 5: Staggered Terms.

(A) Directors shall serve on a staggered term basis, with one new Director to be elected each year.

SECTION 6: Director Nominations.

(A) **Procedure.** The President of the University shall nominate one or more candidates to fill each of the University Seats to be filled. Any Director whose At Large Seat is not being filled shall have the right to nominate one or more candidates to fill each of the At Large Seats to be filled.

(B) **Delivery of Nominations; Election of Directors.** At the annual meeting of the Corporation, all nominations shall be delivered to and voted upon by each of the Directors whose seats are not being filled (both those holding University Seats and those holding At Large Seats), and the remaining Directors shall by majority vote elect a Director to fill the Board seat from the nominees selected in accordance with Section 6(A) above, with the candidate receiving the greatest number of votes elected to the Board.

SECTION 7: Seating of New Directors and Officers. All new Directors shall serve effective the date of their election and be seated at such meeting. New Officers shall also commence their term effective as of such meeting.

SECTION 8: Vacancies. Vacancies among the Directors other than at the expiration of their term may be filled using the same procedure as for vacancies arising due to the expiration of the term of a Director, depending on which type of seat such Director held. Persons nominated in such manner to fill such a vacancy shall be elected by a majority vote of the Board for the unexpired term of the vacant directorship and shall serve effective as of the date of their election.

SECTION 9: Removal. Any Director may be removed at any time, with or without cause by a vote of two-thirds (2/3rds) of the Board.

SECTION 10: Resignation. Any Director may resign at any time by giving written notice to the Chairperson or Secretary. The resignation of any Director shall take effect at the time specified in such notice and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE IV

MEETINGS OF THE BOARD

SECTION 1: Voting. All Directors shall have an equal vote.

SECTION 2: Quorum. A quorum for a meeting of the Board shall consist of a majority of the Directors. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

SECTION 3: Annual Meeting. The annual meeting of the Board shall be held in each year during the period beginning one hundred twenty days prior to the close of the fiscal year. However, upon consent of three (3) of the Directors, the annual meeting may be held at a later date and when held the meeting shall be deemed timely. Notice of the time and place of the annual meeting of the Board shall be given to each Director at least seven (7) but not more than thirty (30) days before the date set for such meeting.

SECTION 4: Regular Meetings. Regular meetings of the Board shall be held at the principal office of the Corporation at such places and at such times as the Board may from time to time determine by resolution. Once established in writing by resolution, no notice of regular meetings of the Board need be given.

SECTION 5: Special Meetings. Special meetings of the Board shall be held whenever called by the Chairperson or by a majority of the Directors. Notice of each special meeting of the Board shall be given to each Director at least two (2) days before the day on which the special meeting is to be held. Every such notice shall state the time and place of the meeting and the

purpose thereof. The business transacted at such special meeting shall be confined to the purposes stated in the notice.

SECTION 6: Place of Meeting. Except as otherwise provided, the Board may hold its meetings at such places within or without the State of Louisiana as shall be specified or fixed in the respective notice or waivers of notice thereof.

SECTION 7: Telephonic Meetings. Meetings of the Board may be held by means of telephone conference calls or similar communication provided all persons participating in the meeting can hear and communicate with each other. Participation in a Board meeting by such means of communication constitutes presence in person at the meeting except as to a person who participates in the meeting for the express purpose of objecting to the transacting of any business on the grounds that the meeting is not lawfully called or convened.

SECTION 8: Consent of Directors. Any action required by law to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the actions so taken, is signed by all of the Directors.

ARTICLE V

EXECUTIVE DIRECTOR

SECTION 1: Executive Director. The Corporation shall obtain the services of an Executive Director experienced in matters pertaining to university facilities.

SECTION 2: Election of Executive Director. The Executive Director shall be elected by the Board from among one or more candidates nominated for the post by the President of the University. The Executive Director may only be removed by the Board for cause. Upon the resignation or removal for cause of the Executive Director, a successor Executive Director shall be elected in the manner set forth in this Section 2.

SECTION 3: Duties and Responsibilities. The Executive Director shall consult with and advise the Board regarding its activities pertaining to the Corporation's construction, ownership, lease, operation and/or maintenance of any facilities of the Corporation on the campus of the University. In addition, the Executive Director shall conduct the official correspondence of the Corporation, preserve all of its books, documents, and communications and keep its books of account. It shall be the duty of the Executive Director to submit a financial statement and written report of the year's work at the close of each fiscal year.

SECTION 4: Reporting. The Executive Director shall report to the Board. The Executive Director shall not be a member of the Board of Directors.

SECTION 5: Compensation. The Executive Director shall not be compensated by the Corporation. In the event that the Executive Director is an employee of the University, the Corporation shall reimburse the University, either directly or through in-kind services, for the

value of the services rendered by the Executive Director to the Corporation.

ARTICLE VI

OFFICERS

SECTION 1: Officers. The Officers shall be a Chairperson, a Vice Chairperson, a Secretary, a Treasurer, an Executive Director; and such assistants and subordinate officers as the Board shall deem necessary. Each of the foregoing officers, except the Executive Director, are collectively referred to as the "Elected Officers". The offices of Secretary and Treasurer may be combined if the Board so elects. The Chairperson shall also serve as and have the title of President of the Corporation.

All Elected Officers shall be elected by the Board from among the Directors at the time of their election, except for the Secretary and Treasurer. The Executive Director may be elected as the Secretary and/or Treasurer of the Corporation.

SECTION 2: Nominations. Each Director shall have the right to nominate one candidate for each Elected Officer post to be filled.

SECTION 3: Election of Officers. The Elected Officers shall be elected by a majority vote of the Directors at the annual meeting of the Board.

SECTION 4: Vacancies. Whenever any vacancies shall occur in any of the Offices of the Corporation, such office shall be filled by the Board, and any officer so designated shall hold office for the remainder of the unexpired term of office.

SECTION 5: Term of Office.

(A) **Term.** The term of office of each of the Elected Officers shall be for a period of one (1) year, or until their successors have been duly elected and qualified.

(B) **Removal.** Any Elected Officer may be removed from office at any time with or without cause by a majority vote of the Board.

(C) **Seating of Officers.** New officers shall take office at the close of the meeting at which they are elected.

SECTION 6: Chairperson of the Board. The Chairperson shall be the elected head of the Corporation and preside at all meetings of the Board, and shall perform all other duties incidental thereto. The Chairperson shall conduct the official correspondence of the Corporation, preserve all of its books, documents, and communications, keep its books of account, and maintain an accurate record of all of the proceedings of all committees. It shall be the duty of the Chairperson to submit a financial statement and written report of the year's work at the close of each fiscal year. The Chairperson shall serve as the chief spokesperson of the Corporation. The

Chairperson shall, subject to the approval of the Directors, appoint all committees and committee chairpersons. The Chairperson shall be an ex-officio member of all committees.

SECTION 7: Vice Chairperson of the Board. In the event of the absence, disability, or termination of service for any reason of the Chairperson, the Vice Chairperson shall act in the Chairperson's stead with the same authority, duties, and responsibilities as the Chairperson.

SECTION 8: Secretary. The Secretary shall keep the minutes of the meetings of the Board. These minutes shall be kept in appropriate books. The Secretary shall attend to the giving of all notices on behalf of the Corporation and shall have charge of all of the books and records of the Corporation and the Secretary shall perform all other duties incidental to the Secretary's office. The Board may appoint an Assistant Secretary to aid the Secretary in the performance of the Secretary's duties.

SECTION 9: Treasurer. The Treasurer shall submit a report of the accounts and financial condition of the Corporation at any meeting of the Board as may be required by the Board. The Treasurer shall assist in the keeping of any records in accordance with these functions. The Treasurer and the Chairman or either of them, shall, subject to restrictions by the Board, direct the disbursement of all monies and assets of the Corporation. The Board may, if it so desires, appoint an Assistant Treasurer to aid the Treasurer in the performance of the Treasurer's duties.

SECTION 10: Delegation of Duties and Authority. In the case of the absence of any Elected Officer, or for any other reason that the Board may deem sufficient as to any Elected Officer, the Board may delegate, for the time being, the powers of duties, or any of them, of such Elected Officer to any other Officers, to legal counsel for the Corporation, or to any Director.

ARTICLE VII

COMMITTEES

SECTION 1: Appointment. The Chairperson shall appoint all committee members and the chairperson of each committee subject to the confirmation of the Board. The Chairperson may appoint as advisory members of any committee persons essential to the activity because of the nature of their work, interest or position.

Committees may be standing committees and/or ad hoc committees.

SECTION 2: Committee Functions. The Board shall establish the function and objectives of all committees. It shall be the function of each committee, within the limits of policy set by the Board, to make investigations, to conduct studies and hearings, to make recommendations to the Board concerning their assignments, and to carry on such activities as may be delegated to them by the Board.

SECTION 3: Limitation of Authority. No committee shall take or make public any

formal action, or make public any resolution, or in any way commit the Corporation on a question of policy without first receiving the approval of the Board.

SECTION 4: Composition. All committees shall be chaired by a Director, and committee members may be drawn from the general public as desired by the Chairperson and as otherwise provided in these By-laws. Each committee may have a vice chairperson and a secretary.

The Chairperson shall each serve as ex-officio members of all committees.

SECTION 5: Ratification. Any and all acts of any and all committees must be ratified by the Board.

SECTION 6: Notice of Meetings. Written notice of the time and place for the meeting, accompanied by the agenda of items to be considered, shall be sent to each member of the committee at least seven (7) days prior to the meeting, except in the case of emergency meetings which may be called by the Chairperson at the Chairperson's discretion.

SECTION 7: Quorum. A simple majority of any committee shall constitute a quorum of that committee. Any act of the majority of a committee at which a quorum is present shall constitute an act of that committee.

ARTICLE VIII

FINANCES

SECTION 1: Corporation Funds. All money received by the Corporation will be placed in a general operating fund(s).

SECTION 2: Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July and shall end on the 30th day of June.

SECTION 3: Annual Audit. An independent financial audit of the Corporation's revenues and expenditures shall be performed annually by a certified public accountant(s) licensed by the State of Louisiana and completed within sixty (60) days after the close of each fiscal year. A copy of such annual audit shall be furnished to the Legislative Auditor.

SECTION 4: Bonding. The Treasurer and all Officers and employees designated by the Board to handle money must be bonded in such amount as the Board shall deem necessary and the cost thereof shall be paid by the Corporation.

ARTICLE IX

PARLIAMENTARY PROCEDURE

The proceedings of the Corporation meetings shall be governed by and conducted according to the latest edition of Robert's Rules of Order.

ARTICLE X

NOTICE

SECTION 1: Written Notice. Whenever the provisions of a statute or the Articles of Incorporation, or any of these By-laws require or permit notice to be given to any Director or Officer, it shall not be construed to require personal notice, but any such notice may be given in writing by depositing the same in a post office or letter box in a prepaid, sealed wrapper, or by facsimile transmission by telephone ("**Fax**"), in either case addressed to such Director or Officer at his address as such address appears on the books of the Corporation. The time when the notice shall have been so mailed or delivered by Fax shall be deemed the time of the giving of such notice.

SECTION 2: Waivers. Any Director or Officer may waive, in writing or by Fax, any notice required or permitted to be given under any provisions of any statute or of the Articles of Incorporation or of these By-laws, either before, at, or after the meeting or other event of which notice is so provided. All Directors or Officers present at any meeting shall be deemed to have waived any and all notice thereof.

ARTICLE XI

INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Corporation shall indemnify and hold harmless any person who was or is party or is threatened to be made party to any action, suit or proceeding, whether civil, criminal, administrative or investigative (including any action by or in the right of the Corporation) by reason of the fact that the person is or was:

- a) A Director, Officer, employee, incorporator or agent of the Corporation; and/or,
- b) Serving at the request of the Corporation as a Director, Officer, employee, incorporator or agent of another business, foreign or nonprofit corporation, partnership, joint venture or other enterprise.

(collectively "**Protected Group**") against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding if the person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interest of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that their conduct was unlawful; provided that in case of actions by or in the right of the Corporation, the indemnity shall be limited to expenses (including attorneys' fees and amounts paid in settlement not exceeding, in the judgment of the

Board, the estimated expense of litigating the action to conclusion) actually and reasonably incurred in connection with the defense or settlement of such action.

No indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of their duty to the Corporation unless and only to the extent that the court shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, they are fairly and reasonably entitled to indemnity for such expense which the court shall deem proper.

The termination of any action, suit or proceeding by judgment, order settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which they reasonably believed to be in or not opposed to the best interest of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that their conduct was unlawful.

To the extent that a member of the Protected Group has been successful on the merits or otherwise in defense of any such action, suit or proceeding, or in defense of any claim, issue or matter therein, they shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by them in connection therewith.

This indemnification (unless ordered by the court) shall be made by the Corporation only as authorized in a specific case upon a determination that the applicable standard of conduct has been met. Such determination shall be made by (a) the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable or a quorum of disinterested Directors so directs, by independent legal counsel.

The expenses incurred in defending such an action, suit or proceeding shall be paid by the Corporation in advance of the final disposition thereof if authorized by the Board in the manner provided above, upon receipt of an undertaking by or on behalf of the member of the Protected Group to repay such amount unless it shall ultimately be determined that they are entitled to be indemnified by the Corporation as authorized hereunder.

The foregoing indemnification shall not be exclusive of other rights to which any member of the Protected Group may be entitled as a matter of law, and shall inure to the benefit of any member of the Protected Group's heirs and legal representatives.

The Corporation may procure insurance on behalf of any member of the Protected Group against any liability asserted against or incurred by the person in any such capacity, or arising out the person's status as such, whether or not the Corporation would have the power to indemnify the person against such liability under the laws of the State of Louisiana.

ARTICLE XII

SEAL

SECTION 1: Corporation Seal. The Corporation may use a seal of such design as may be adopted by the Board.

SECTION 2: Necessity of Seal. Failure to affix the seal shall not affect the validity of any instrument.

ARTICLE XIII

AMENDMENTS

These By-laws may be altered or amended or repealed by the affirmative vote of two-thirds (2/3rds) of the Board at any regular meeting or at any special meeting of the Board called for that purpose; provided, however, that no change of the time or place of the election of Directors shall be made within fifty (50) days preceding the day on which such election is to be held, and that in the case of any change of such time or place, notice thereof shall be given to each Director at least twenty (20) days before the election is held.

ARTICLE XIV

DISSOLUTION

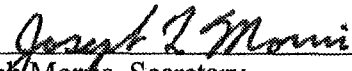
SECTION 1: Procedure. The Corporation shall use its funds only to accomplish the Mission and Corporate Objectives, and no part of the funds shall inure, or be distributed to any Director, Officer or other person. On dissolution of the Corporation, any funds remaining shall be distributed to the University.

ARTICLE XV

GENERAL LAWS OF LOUISIANA

SECTION 1: General Laws. Any matters not heretofore covered by these By-laws or the Articles of Incorporation shall be governed by the provisions of the laws of the State of Louisiana.

I certify that the foregoing Restated By-laws were adopted by the members of the Board of Directors of the Corporation on the 5th day of November, 2013, and amended on October 26, 1998; June 21, 2000; August 10, 2004; and August 6, 2013.



Joseph Morris, Secretary

RECEIVED MAR 15 1999
DEPARTMENT OF THE TREASURY

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 2508
CINCINNATI, OH 45201

Date: MAR 10 1993

UNIVERSITY FACILITIES INC
C/O NICK BRUNO
SLU BOX 746
HAMMOND, LA 70402-0746

Employer Identification Number:
72-1417328
DLN:
17053303017048
Contact Person:
D. A. DOWNING IDN 31505
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
JUNE 30
Form 990 Required:
YES
Addendum Applies:
YES

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(iv).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. Additionally, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

UNIVERSITY FACILITIES INC

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so be sure your return is complete before you file it.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, any supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$20 per day for each day there is a failure to comply (up to a maximum of \$10,000 in the case of an annual return).

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

UNIVERSITY FACILITIES INC

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

As part of a continuing program, we periodically examine the operations of tax-exempt organizations. The purpose of this program is to determine whether the organizations are operating within the scope of the laws under which they are granted exemption. Therefore, you should keep information that would show that you are operating for section 501(c)(3) purposes. The information should include the training given to the child care providers, number of inspections, reports submitted to the state, and other pertinent information about your activities. You should also keep records of your income and your disbursements of funds.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

If you are a wholly-owned instrumentality of a state or a political subdivision of a state, wages paid for services performed for you are not subject to unemployment taxes under the Federal Unemployment Tax Act (FUTA) or to any portion of the social security taxes under the Federal Insurance Contributions Act (FICA). Wages of your employees hired after March 31, 1986 are subject to only the medicare portion of the social security tax. If you want full social security coverage for your employees, it may be obtained only by an agreement under section 218 of the Social Security Act between the state and the Secretary of Health and Human Services.

Any questions you may have concerning your liability for FICA or FUTA taxes should be addressed to the Internal Revenue Service, Office of the Associate Chief Counsel (Employee Benefits and Exempt Organizations), CC:EBO, Room 5213, P. O. Box 7604, Ben Franklin Station, Washington, D.C. 200044.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

UNIVERSITY FACILITIES INC

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

District Director

Enclosure(s):
Addendum

UNIVERSITY FACILITIES INC

If your organization conducts fund-raising events such as benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Charities Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your local IRS Office. Guidelines for deductible amounts are also set forth in Revenue Ruling 67-246, 1967-2 C.B. 104 and Revenue Procedure 90-12, 1990-1 C.B. 471 and Revenue Procedure 92-49, 1992-26 I.R.B. 18.

The value of time or personal services contributed to your organization by volunteers is not deductible by those volunteers as a charitable contribution for Federal income tax purposes. You should advise your volunteers to this effect.

Guidelines under which private foundations may rely on this determination, for gifts, grants, and contributions made after March 13, 1989, were liberalized and published in Rev. Proc. 89-23, Cumulative Bulletin 1989-1, page B44.

JJC

**MEETING OF THE BOARD OF DIRECTORS AND MEMBERS
OF UNIVERSITY FACILITIES, INC.
HELD ON THE 6TH DAY OF August 2013**

A meeting of the Board of Directors and members of University Facilities, Inc. ("Corporation") was held in room 155 of Luther Dyson Hall on the Southeastern Louisiana University Campus on the above-mentioned date.

Present: Board Members - Mr. Stephen Smith, Mr. Jack Gautier, Mr. Phil Livingston; Executive Director, Mr. Joe Morris; and Interim Vice President for Administration & Finance at Southeastern Louisiana University, Mr. Sam Domiano.

Mr. Phil Livingston called the meeting to order at 2:00 p.m.

1. **Approval of Minutes from last meeting on February 26, 2013.** The Board of Directors reviewed the minutes from the February 26, 2013 meeting. Upon motion duly made by Mr. Livingston seconded by Mr. Gautier, and carried, it was unanimously

RESOLVED that the minutes be accepted as prepared.

2. **Appointment of New Board Member.**

Upon motion duly made by Mr. Stephen Smith seconded by Mr. Phil Livingston, and carried, it was unanimously

RESOLVED that Mr. Marcus Naquin be elected and appointed to the Board of Directors of the Corporation for the period of August 6, 2013 – June 30, 2016.

3. **Appointments of Accountants**

- a. Compilation work of David Danel, CPA effective July 1, 2013.

Upon motion duly made by Mr. Stephen Smith, seconded by Mr. Jack Gautier, and carried, it was unanimously

RESOLVED that David Danel, CPA be selected to conduct compilation work effective July 1, 2013.

- b. Horton, Lee, Burnett, Peacock, Cleveland & Grainger, P.C. provided outstanding service to UFI for the past seven years. Mr. Stephen Smith

asked the Board to ratify his section to continue the audit engagement with Horton, Lee, Burnett, Peacock, Cleveland & Grainger, P.C. from Birmingham, Alabama for the 2012-13 audit year.

RESOLVED that the above referenced CPA firm be selected to conduct the audit for the 2012-13 fiscal year.

4. Update Student Union Project.

Mr. Sam Domiano provided an update on the Student Union Project.

- a. Project remains on schedule with Phase 1 (New construction) slated to open in January 2014
- b. Policies and Procedures are being developed to market and begin booking the new facility
- c. There will be no other comparable facility on the Northshore
- d. Recommended a walkthrough with the UFI board members during the next scheduled meeting

5. Donation of Movable Property in the Document Center to Southeastern.

Upon motion duly made by Mr. Phil Livingston, seconded by Mr. Jack Gautier, and carried, it was unanimously

RESOLVED that Dr. Joe Morris be given the authority to sign the donation paperwork to transfer the furniture and equipment for the Document Center to Southeastern. The equipment was purchased with funds provided to the Project by Southeastern.

6. Update on Capstone Arbitration.

Mr. Smith provided the Board a copy of the June 7, 2013 Capstone Arbitration progress letter prepared by Seale & Ross.

7. Advanced Refunding of 2004 Bonds.

Mr. Stephen Smith provided an update on the advance refunding of the 2004 Bonds.


- a. Timeline
- b. Resolution
- c. Restatement of Leases
 - i. Ground Lease
 - ii. Facilities Lease

Upon motion duly made by Mr. Stephen Smith, seconded by Mr. Phil Livingston, and carried, it was unanimously

RESOLVED that Dr. Joe Morris, Executive Director, be given the authorization to execute the Resolution and related documents presented to the Board at this meeting to facilitate the refunding of the 2004 Bonds.

8. There being no further business to be transacted, on motion duly made by Mr. Phil Livingston, and seconded by Mr. Jack Gautier, the meeting was adjourned at 3:00 p.m.

The undersigned Secretary/Executive Director to the Corporation certifies that the above and foregoing are true and correct Minutes of the Meeting of the Members and Directors held on August 6, 2013, at which all Directors and Members, have waived notice, consented to the action taken therein.



JOSEPH MORRIS, EXECUTIVE DIRECTOR

**RESOLUTION OF THE
BOARD OF DIRECTORS OF
UNIVERSITY FACILITIES, INC.**

WHEREAS, University Facilities, Inc., a Louisiana corporation (the "*Corporation*"), through the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Authority*") has financed certain student housing and related facilities (the "*Housing Facilities*") using the proceeds of the Authority's \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), the Authority's \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and the Authority's \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series 2004B Bonds, the "*Series 2004 Bonds*");

WHEREAS, in connection therewith, the Corporation and the Board of Supervisors for the University of Louisiana System (the "*Board*") have entered into a Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Ground Lease*"), whereby the Board has leased certain property (the "*Property*") to the Corporation and the Corporation has provided capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further amended by that certain Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each between the Board and the Corporation (collectively, the "*Prior Facilities Lease*"), all relative to the lease and lease-back of a portion of the University's campus to the Corporation for the acquisition, development, design, construction and equipping of the Facilities;

WHEREAS, the Corporation has determined that an opportunity exists to refund all or a portion of the Series 2004 Bonds to achieve interest savings for the University and the Corporation desires to make application to the Louisiana Local Government Environmental Facilities and Community Development Authority requesting the issuance of its not to exceed \$55,000,000 Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Project) in one or more series (the "*Refunding Bonds*") on behalf of the Corporation in order to refund all or a portion of the Series 2004 Bonds; and

WHEREAS, in connection with the issuance of the Refunding Bonds, it is necessary to amend and restate the Prior Ground Lease and the Prior Facilities Lease by the execution of an Amended and Restated Ground and Buildings Lease Agreement (the "*Amended and Restated Ground Lease*") and an Amended and Restated Agreement to Lease with Option to Purchase (the "*Amended and Restated Facilities Lease*") and the Corporation desires to authorize the execution of the Amended and Restated Ground Lease and the Amended and Restated Facilities Lease;

WHEREAS, the Corporation is also evaluating a conversion of the interest rate mode relating to the Series 2004B Bonds and the possibility of a conversion of the interest rate mode on such Series 2004B Bonds from an auction rate to a fixed rate (the "*Interest Rate Mode Conversion*") and the Corporation desires to authorize certain actions in connection with an Interest Rate Mode Conversion if such action is in the best interest of the Corporation.

Upon motion duly made, seconded and unanimously carried, it was:

I.

RESOLVED, that the Corporation's participation in the refunding of all or a portion of the Series 2004 Bonds by the issuance of the Authority's Refunding Bonds is hereby approved and authorized and the Corporation hereby authorizes application to be made to the Authority in connection therewith;

II.

FURTHER RESOLVED, that the Chairman of the Corporation, or his authorized designee, is hereby authorized and empowered to determine and/or approve, for and on behalf of the Corporation, the terms and provisions and the form of any documents, agreements, certificates, assignments and instruments necessary or appropriate to the refunding of the Series 2004 Bonds and the issuance and sale of the Refunding Bonds and completion of the Interest Rate Mode Conversion and, in connection therewith, to execute and deliver, on behalf of the Corporation, any such documents, agreements, assignments, certificates, instruments, financing statements, or other papers, each in such form as approved by Corporation counsel and as the Corporation's officer executing the same shall approve, such approvals to be conclusively evidenced by his execution thereof, and to take such other and further action as such officer may deem necessary or appropriate to carry out the purposes and intent of this resolution.

III.

FURTHER RESOLVED, that the Amended and Restated Ground Lease and the Amended and Restated Facilities Lease are hereby approved in substantially the form attached hereto as Exhibit A and Exhibit B, respectively, subject to such changes as may be approved by counsel to the Corporation, and the Chairman of the Corporation, or his authorized designee, is hereby authorized to execute and deliver, on behalf of the Corporation, the Amended and Restated Ground Lease and the Amended and Restated Facilities Lease; and

IV.

FURTHER RESOLVED that the employment of Sisung Securities Corporation, New Orleans, Louisiana, as Financial Advisor in connection with the issuance of the Refunding Bonds is hereby approved and ratified.

CERTIFICATE

I, Joseph Morris, Secretary/Treasurer of University Facilities, Inc., on this 6th day of August, 2013, do hereby certify that the attached Resolution of the Board of Directors of the Corporation, held on August 6, 2013, is a true and correct copy thereof and that all the directors were present thereat and voted in favor of the resolutions passed thereat.

Joseph P. Morris
Secretary/Treasurer

EXHIBIT A
FORM OF
AMENDED AND RESTATED GROUND LEASE

FORM OF
AMENDED AND RESTATED
GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessor)

and

UNIVERSITY FACILITIES, INC.
(as Lessee)

Dated as of _____ 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

\$925,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Taxable Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004C

AND

\$5,545,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

Page

ARTICLE I
LEASE OF PROPERTY - TERMS OF GROUND LEASE

| | | |
|--------------|----------------------------|---|
| Section 1.01 | <u>Lease of Land</u> | 2 |
| Section 1.02 | <u>Habendum</u> | 3 |
| Section 1.03 | <u>Term</u> | 3 |

ARTICLE II
DEFINITIONS

| | | |
|--------------|--------------------------|---|
| Section 2.01 | <u>Definitions</u> | 3 |
|--------------|--------------------------|---|

ARTICLE III
RENT

| | | |
|--------------|-------------------------------------|---|
| Section 3.01 | <u>Rent</u> | 6 |
| Section 3.02 | <u>Additional Obligations</u> | 7 |

ARTICLE IV
USE OF LAND

| | | |
|--------------|--|---|
| Section 4.01 | <u>Purpose of Lease</u> | 7 |
| Section 4.02 | <u>Benefit of the Board and the University</u> | 7 |
| Section 4.03 | <u>Data and Voice Communication Systems</u> | 7 |
| Section 4.04 | <u>Compliance with Statutory Requirements</u> | 7 |

ARTICLE V
RESERVED

ARTICLE VI
ENCUMBRANCES

| | | |
|--------------|--|---|
| Section 6.01 | <u>Mortgage of Leasehold or the Facilities</u> | 8 |
|--------------|--|---|

ARTICLE VII
MAINTENANCE AND REPAIR

| | | |
|--------------|---|---|
| Section 7.01 | <u>Maintenance, Repairs and Renovations</u> | 8 |
|--------------|---|---|

ARTICLE VIII
CERTAIN LIENS PROHIBITED

| | | |
|--------------|--|---|
| Section 8.01 | <u>No Mechanics' Liens</u> | 8 |
| Section 8.02 | <u>Release of Recorded Liens</u> | 8 |
| Section 8.03 | <u>Memorandum of Recitals</u> | 9 |

ARTICLE IX
OPERATION AND MANAGEMENT OF FACILITIES

| | | |
|--------------|---------------------------------------|---|
| Section 9.01 | <u>Management of Facilities</u> | 9 |
| Section 9.02 | <u>Books and Records</u> | 9 |
| Section 9.03 | <u>Audits</u> | 9 |

ARTICLE X
INDEMNIFICATION

| | | |
|---------------|---|----|
| Section 10.01 | <u>Indemnification by the Corporation</u> | 10 |
| Section 10.02 | <u>Contributory Acts</u> | 10 |

ARTICLE XI
TERMINATION, DEFAULT AND REMEDIES

| | | |
|---------------|--|----|
| Section 11.01 | <u>Events Of Default</u> | 10 |
| Section 11.02 | <u>The Board's Rights Upon Default</u> | 11 |
| Section 11.03 | <u>Termination of Right of Occupancy</u> | 11 |
| Section 11.04 | <u>Rights of The Board Cumulative</u> | 11 |

ARTICLE XII
TITLE TO THE FACILITIES

| | | |
|---------------|---|----|
| Section 12.01 | <u>Title to Facilities</u> | 12 |
| Section 12.02 | <u>The Board's Option to Require Demolition</u> | 12 |
| Section 12.03 | <u>Termination of Facilities Lease</u> | 12 |
| Section 12.04 | <u>Insurance Proceeds</u> | 12 |
| Section 12.05 | <u>Condemnation, Casualty and Other Damage</u> | 12 |

ARTICLE XIII
CONDEMNATION

| | | |
|---------------|--|----|
| Section 13.01 | <u>Condemnation</u> | 13 |
| Section 13.02 | <u>Partial Condemnation if Facilities Lease is No Longer in Effect</u> | 13 |
| Section 13.03 | <u>Partial or Total Condemnation if Facilities Lease is in Effect</u> | 13 |
| Section 13.04 | <u>Payment of Awards - If Facilities Lease is in Effect</u> | 13 |
| Section 13.05 | <u>Payment of Awards - If Facilities Lease is not in Effect</u> | 13 |
| Section 13.06 | <u>Bond Documents Control</u> | 14 |

ARTICLE XIV
ASSIGNMENT, SUBLETTING, AND TRANSFERS
OF THE CORPORATION'S INTEREST

| | | |
|---------------|--|----|
| Section 14.01 | <u>Assignment of Leasehold Interest</u> | 14 |
| Section 14.02 | <u>Subletting</u> | 14 |
| Section 14.03 | <u>Transfers of the Corporation's Interest</u> | 14 |

ARTICLE XV
COMPLIANCE CERTIFICATES

| | | |
|---------------|---|----|
| Section 15.01 | <u>The Corporation Compliance</u> | 14 |
| Section 15.02 | <u>The Board's Compliance</u> | 14 |

ARTICLE XVI
TAXES AND LICENSES

| | | |
|---------------|-------------------------------------|----|
| Section 16.01 | <u>Payment of Taxes</u> | 15 |
| Section 16.02 | <u>Contested Tax Payments</u> | 15 |

ARTICLE XVII
FORCE MAJEURE

| | | |
|---------------|--|----|
| Section 17.01 | <u>Discontinuance During Force Majeure</u> | 15 |
|---------------|--|----|

ARTICLE XVIII
MISCELLANEOUS

| | | |
|---------------|--|----|
| Section 18.01 | <u>Nondiscrimination, Employment and Wages</u> | 15 |
| Section 18.02 | <u>Notices</u> | 15 |
| Section 18.03 | <u>Relationship of Parties</u> | 17 |
| Section 18.04 | <u>Memorandum of Lease</u> | 17 |
| Section 18.05 | <u>Attorney's Fees</u> | 17 |
| Section 18.06 | <u>Louisiana Law to Apply</u> | 17 |
| Section 18.07 | <u>Warranty of Peaceful Possession</u> | 17 |
| Section 18.08 | <u>Curative Matters</u> | 17 |
| Section 18.09 | <u>Nonwaiver</u> | 17 |
| Section 18.10 | <u>Terminology</u> | 18 |
| Section 18.11 | <u>Counterparts</u> | 18 |
| Section 18.12 | <u>Severability</u> | 18 |
| Section 18.13 | <u>Authorization</u> | 18 |
| Section 18.14 | <u>Ancillary Agreements</u> | 18 |
| Section 18.15 | <u>Amendment</u> | 18 |
| Section 18.16 | <u>Successors and Assigns</u> | 19 |
| Section 18.17 | <u>Entire Agreement</u> | 19 |

- EXHIBIT A – LAND DESCRIPTION
- EXHIBIT B – PERMITTED ENCUMBRANCES
- EXHIBIT C – MEMORANDUM OF GROUND LEASE
- EXHIBIT D – FACILITIES

AMENDED AND RESTATED
GROUND AND BUILDINGS LEASE AGREEMENT

This AMENDED AND RESTATED GROUND AND BUILDINGS LEASE AGREEMENT (together with any amendment hereto or supplement hereof, the "*Ground Lease*") dated as of _____ 1, 2013, is entered into by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by John L. Crain, President of the University, duly authorized, and UNIVERSITY FACILITIES, INC., a Louisiana nonprofit corporation represented herein by _____, its _____, (the "*Corporation*") and amends and restates in its entirety that certain Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Ground Lease*").

WITNESSETH

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University (the "*Campus*") provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Board;

WHEREAS, in order to further these functions of the Board, by development of housing and related facilities for students, faculty and staff on the Campus, the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such student housing and related facilities and leasing such facilities back to the Board;

WHEREAS, pursuant to the Prior Ground Lease, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further amended by that certain Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (collectively, the "*Prior Facilities Lease*") each between the Corporation and the Board;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Series 2004 Indenture*"), the Issuer issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities,

Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and its \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series 2004B Bonds, the "*Series 2004 Bonds*");

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Series 2004 Loan Agreement*"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "*Series 2004 Facilities*"), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a Debt Service Reserve Fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the "*Series 2007 Indenture*"), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "*Series 2007A Bonds*") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the "*Series 2007B Bonds*" and, together with the Series 2007A Bonds, the "*Series 2007 Bonds*");

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the "*Series 2007 Loan Agreement*"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Phase Four Facilities (as defined herein), (ii) fund a deposit to the Debt Service Reserve Fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 18.15 of the Prior Ground Lease and Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 the Series 2007 Loan Agreement provide that the Prior Ground Lease may be amended in order to amend or modify the Prior Ground Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Bond Insurer (as hereinafter defined) or the Trustee; and

WHEREAS, the Issuer is issuing its \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the "*Series 2013 Bonds*") in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Ground Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE I
LEASE OF PROPERTY - TERMS OF GROUND LEASE

Section 1.01 Lease of Land. The Board does hereby let, demise, and rent unto the Corporation, and the Corporation does hereby rent and lease from the Board, the real property (the

“Land”) more particularly described on Exhibit A attached hereto, together with all existing and future improvements, alterations, additions and attached fixtures located or to be located on the Land (the “Facilities”) and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Land for vehicular and pedestrian ingress and egress. Notwithstanding Article VIII of the Loan Agreement, the Board shall have the right to release from this Ground Lease, after demolition has been completed, any portion of the Land upon which existing facilities were demolished, if no portion of the Facilities is thereafter constructed thereon. The Corporation, by execution of this Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on Exhibit B attached hereto.

Section 1.02 Habendum. To have and to hold the Land and the Facilities, together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Corporation, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

Section 1.03 Term. Unless sooner terminated as herein provided, this Ground Lease shall continue and remain in full force and effect for a term commencing on the effective date hereof and ending on the earlier of (i) August 1, 2047, or (ii) the date on which any of the following events occur: (a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture, or (b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation’s interest in the Facilities pursuant to the Option.

ARTICLE II DEFINITIONS

Section 2.01 Definitions. In addition to such other defined terms as may be set forth in this Ground Lease, the following terms shall have the following meanings:

“*Affiliate*” means, with respect to a designated Person under this Ground Lease, any other Person that, directly or indirectly, controls is controlled by, or is under common control with such designated Person. For purposes of this definition, the term “control” (including the correlative meanings of the terms “controlled by” and “under common control with”), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person.

“*Agreement*” means collectively, the Series 2004 Agreement, the Series 2007 Agreement and the Series 2013 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Applicable Laws*” means all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority which are applicable to the parties performing their obligations under this Ground Lease.

“*Award*” means any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

“*Board*” means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University.

“*Board Representative*” means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Ground Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Vice President for Business and Finance, or his or her designee, the President or the _____ of the University or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

“*Board’s Interest*” means the Board’s ownership interest in and to the Land and the Facilities.

“*Bond Documents*” shall have the meaning set forth in Section 3.12 of the Indenture.

“*Bonds*” shall mean the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds, any Additional Bonds issued pursuant to the Indenture and Bonds issued to refund any of the Series 2004 Bonds, Series 2007 Bonds or Series 2013 Bonds.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*Campus*” means the campus of the University.

“*Commencement Date*” means the effective date of this Ground Lease, which is _____, 2013.

“*Corporation*” means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Event of Default*” means any matter identified as an event of default under Section 11.01 hereof.

“*Expiration Date*” means the expiration date of this Ground Lease as set forth in Section 1.03 hereof.

“*Facilities*” means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached hereto, as amended and supplemented in accordance with the provisions of the Agreement, which renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds.

“*Facilities Lease*” means that certain Amended and Restated Agreement to Lease with Option to Purchase dated as of _____ 1, 2013, by and between the Board, as Lessee, and the Corporation, as Lessor, whereby the Facilities are leased by the Corporation to the Board, on behalf of the University.

“*Force Majeure*” means any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, act of terrorism, war, blockade, insurrection, riot, or civil disturbance; (b) labor dispute, strike, work slowdown, or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of the Corporation; (d) adoption of or change in any Applicable Laws after the date of execution of this Ground Lease; (e) any actions by the Board which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of the Corporation.

“*Governmental Authority*” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

“*Indenture*” means, collectively, the Series 2004 Indenture, the Series 2007 Indenture and the Series 2013 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

“*Land*” means the real property more particularly described on Exhibit A attached hereto upon which certain existing facilities have been demolished and upon which the Facilities were renovated, constructed and located.

“*Mortgage*” shall have the meaning set forth in the Agreement.

“*Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Facilities for a period of one (1) month or less pursuant to a lease, license agreement, concession or other arrangement arrangement with the University and all sublessees of the Stadium Expansion without restriction as to term.

“*Permitted Use*” means (i) the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing and (ii) the operation of the Series 2007 Facilities and Stadium Expansion as an intermodal parking facility and football stadium for University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

“*Person*” means an individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.

“*Rent*” means the annual rent paid by the Corporation as set forth in Section 3.01 hereof.

“*Series 2004 Agreement*” means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Bonds*” means, collectively, the Issuer’s \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and its \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C.

“*Series 2004 Facilities*” means the student housing and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2004 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Agreement*” means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Bonds*” means, collectively, the Issuer’s \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the “*Series 2007A Bonds*”) and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

“*Series 2007 Facilities*” means the parking and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2007 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder

“*Series 2013 Agreement*” means the Loan Agreement dated as of _____ 1, 2013, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2013 Bonds*” means the Issuer’s \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

“*Series 2013 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of _____ 1, 2013, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Stadium Expansion*” shall mean the Football Stadium Improvements described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement, which improvements were not financed with Bond proceeds.

“*Taking*” means the actual or constructive condemnation, or the actual or constructive acquisition by condemnation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

“*Term*” means the term of this lease as set forth in Section 1.03 hereof.

“*Trustee*” shall have the meaning set forth in the Series 2013 Indenture.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

ARTICLE III RENT

Section 3.01 Rent. Commencing on the Commencement Date and continuing throughout the Term the Corporation shall pay to the Board, at the address set forth in Section 18.02 hereof or such other place as the Board may designate from time to time in writing, as annual rent for the Land (the “*Rent*”),

the sum of \$1.00 per year. Rent shall be due and payable annually in advance, with the first such payment of Rent being due on the Commencement Date and a like installment due on each anniversary thereafter during the Term.

Section 3.02 Additional Obligations. As further consideration for the entering into of this Ground Lease by the Board, the Corporation agrees to perform its construction obligations as set forth in Article Five herein, and to execute and perform its obligations under the Facilities Lease and all other documents contemplated by and ancillary to this Ground Lease and the Facilities Lease. Title to all improvements constructed or placed in service on the Land by the Corporation shall vest in the Board and the cost thereof incurred by the Corporation shall constitute additional rent hereunder. In addition, the Corporation agrees to pay the costs of demolishing, developing and/or constructing the Facilities and the Stadium Expansion pursuant to the terms of this Ground Lease and the Facilities Lease, title to which shall vest in the Board, which payment obligation shall constitute additional rent hereunder.

ARTICLE IV USE OF LAND

Section 4.01 Purpose of Lease. The Corporation enters into this Ground Lease for the purpose of demolishing certain existing facilities and renovating, developing and constructing the Facilities and the Stadium Expansion and leasing the Facilities and the Stadium Expansion to the Board in accordance with the Facilities Lease. Except as otherwise provided herein, the Facilities and the Stadium Expansion are to be used for no other purpose.

Section 4.02 Benefit of the Board and the University. The Board shall own the Facilities and the Stadium Expansion subject to the Corporation's rights under this Ground Lease and, for so long as the Facilities Lease remains in full force and effect, the Board shall lease back the Facilities from the Corporation for the support, maintenance and benefit of the Board and the University. The Facilities and the Stadium Expansion shall be owned and leased solely for a public purpose related to the performance of the duties and functions of the Board and the University. Under no circumstances shall the Facilities and the Stadium Expansion be used for any purpose other than the Permitted Use.

Section 4.03 Data and Voice Communication Systems. The Board, at its expense, agrees to provide to the Facilities and the Stadium Expansion appropriate cabling to tie its computer system into the Facilities and the Stadium Expansion. The Board shall provide the Facilities and the Stadium Expansion access to its computer system at no charge to the Corporation.

Section 4.04 Compliance with Statutory Requirements. Section 3361, et. seq. of Title 17 of the Louisiana Revised Statutes prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Ground Lease, the Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation:

(a) the waiver by written consent of the formulation and adoption of rules, regulations and requirements, if any, relative to the erection, construction and maintenance of the Facilities and the Stadium Expansion referenced in Section 3362 A of Title 17 of the Louisiana Revised Statutes, other than those set forth in this Ground Lease or specifically referenced in this Ground Lease;

(b) the waiver by written consent of the Board's right to require removal of the Facilities and the Stadium Expansion referenced in Section 3362 B of Title 17 of the Louisiana Revised Statutes, except as set forth in this Ground Lease; and

(c) the waiver by written consent of the Board's right to adopt such rules or regulations as it deems necessary or desirable relative to the conduct and social activities of people in structures erected on the leased grounds referenced in Section 3364 of Title 17 of the Louisiana Revised Statutes, except as may be specified in this Ground Lease.

**ARTICLE V
RESERVED**

**ARTICLE VI
ENCUMBRANCES**

Section 6.01 Mortgage of Leasehold or the Facilities. Except for the Mortgage, the Corporation shall not mortgage, lien or grant a security interest in the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion or any other right of the Corporation hereunder without the prior written consent of the Board.

**ARTICLE VII
MAINTENANCE AND REPAIR**

Section 7.01 Maintenance, Repairs and Renovations.

(a) For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall be responsible for maintaining and repairing the Facilities and the Stadium Expansion in accordance with Section 7 of the Facilities Lease.

(b) In the event that the Facilities Lease has been terminated, the Corporation will: (1) maintain or cause to be maintained the Facilities and the Stadium Expansion, and will keep the Facilities and the Stadium Expansion in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; and (2) make from time to time any additions, modifications or improvements to the Facilities and the Stadium Expansion the Corporation may deem desirable for its business purposes that do not materially impair the effective use of the Facilities and the Stadium Expansion, provided that all such additions, modifications and improvements will become a part of the Facilities and the Stadium Expansion.

**ARTICLE VIII
CERTAIN LIENS PROHIBITED**

Section 8.01 No Mechanics' Liens. Except as permitted in Section 8.02 hereof the Corporation shall not suffer or permit any mechanics' liens or other liens to be enforced against the Board's ownership interest in the Land, the Facilities or the Stadium Expansion nor against the Corporation's leasehold interest in the Land, the Facilities or the Stadium Expansion by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the Land, the Facilities or the Stadium Expansion or any part thereof through or under the Corporation.

Section 8.02 Release of Recorded Liens. If any such mechanics' liens or materialmen's liens shall be recorded against the Land, the Facilities or the Stadium Expansion, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case the Corporation hereby agrees to indemnify and save the Board harmless from all liability for damages occasioned thereby and shall in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released

prior to the execution of such judgment. In the event the Board reasonably should consider the Board's interest in the Land, the Facilities or the Stadium Expansion endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Board within thirty (30) days after such notice, then the Board, at the Board's sole discretion, may discharge such liens and recover from the Corporation immediately as additional Rent under this Ground Lease the amounts paid, with interest thereon from the date paid by the Board until repaid by the Corporation at the rate of ten percent (10%) per annum.

Section 8.03 Memorandum of Recitals. The memorandum of lease to be filed pursuant to Section 18.04 of this Ground Lease shall state that any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

ARTICLE IX OPERATION AND MANAGEMENT OF FACILITIES

Section 9.01 Management of Facilities and the Stadium Expansion. For as long as the Facilities Lease is in effect, the University, at the direction of the Board, shall operate and manage the Facilities and the Stadium Expansion or cause the Facilities and the Stadium Expansion to be operated and managed in accordance with the Section 7 of the Facilities Lease.

Section 9.02 Books and Records. The Corporation shall keep, or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Corporation.

Section 9.03 Audits. The Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Corporation. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the Board, by the Louisiana Legislative Auditor or by independent auditors retained by the Board desiring to conduct such audit, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Corporation.

**ARTICLE X
INDEMNIFICATION**

Section 10.01 Indemnification by the Corporation. Excluding the acts or omissions of the Board, its employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Board, its agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with the Corporation's construction of the Facilities and the Stadium Expansion. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation and the Board shall use the same counsel if such counsel is approved by the Board, which approval shall not be unreasonably withheld or delayed. If the Board does not approve such counsel then the Board may retain independent counsel at the Board's sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Board shall in no way be responsible therefor.

Section 10.02 Contributory Acts. Whenever in this Ground Lease any party is obligated to pay an amount or perform an act because of its negligence or misconduct (or that of its agents, employees, contractors, guests, or invitees), such obligations shall be mitigated to the extent of any comparative fault or misconduct of the other party (or that of its agents, employees, contractors, guests, or invitees) as determined by a court of law, and in any disputes damages shall be apportioned based on the relative amounts of such negligence or willful misconduct as determined by a court of law.

**ARTICLE XI
TERMINATION, DEFAULT AND REMEDIES**

Section 11.01 Events Of Default. Any one of the following events shall be deemed to be an "Event of Default" by the Corporation under this Ground Lease.

(a) The Corporation shall fail to pay any sum required to be paid to the Board under the terms and provisions of this Ground Lease and such failure shall not be cured within thirty (30) days after the Corporation's receipt of written notice from the Board of such failure.

(b) The taking by execution of the Corporation's leasehold estate (other than a foreclosure of the Mortgage) for the benefit of any Person.

(c) The Corporation shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Corporation under the terms and provisions of this Ground Lease, other than the covenant set forth in Section 5.01. E. hereof, and such failure shall not be cured within ninety (90) days after receipt of written notice from the Board of such failure; provided that if during such ninety (90) day period, the Corporation takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(d) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Corporation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Facilities and the Stadium Expansion appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation or ordering the winding up or liquidation of the affairs of the Corporation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(e) The commencement by the Corporation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Corporation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for the Corporation or any substantial part of the properties of the Corporation.

Section 11.02 The Board's Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Board may at its option seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Section 11.03 Termination of Right of Occupancy. Notwithstanding any provision of law or of this Ground Lease to the contrary, except as set forth in Section 1.03 hereof, the Board shall not have the right to terminate this lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Corporation hereunder, the Board shall have the right to terminate the Corporation's right to occupancy of the Land, the Facilities and the Stadium Expansion, except that the Facilities and the Stadium Expansion, at the option of the Board, shall remain thereon. The Board shall have the right upon ninety (90) days' written notice and opportunity to cure provided to the Bond Insurer and the Trustee, to take possession of the Land, the Facilities and the Stadium Expansion and to re-let the Land, the Facilities and the Stadium Expansion or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation hereby agrees to release its leasehold interest and all of its rights under this Ground Lease and the Facilities Lease to the new lessee of the Land (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, as applicable) agreeing to assume all of the Corporation's obligations under the Ground Lease, the Facilities Lease and under any debt incurred by the Corporation in connection with the construction of the Facilities and the Stadium Expansion.

Section 11.04 Rights of The Board Cumulative. All rights and remedies of the Board provided for and permitted in this Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Board of a breach of any of the covenants, conditions or restrictions of this Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Board to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

ARTICLE XII
TITLE TO THE FACILITIES

Section 12.01 Title to Facilities. Title to the existing Facilities and the Stadium Expansion and any new Facilities as they are constructed or placed in service upon completion thereof shall be vested in the Board. The Board's right to obtain title to the Facilities and the Stadium Expansion unencumbered by the leasehold interest of the Corporation granted hereunder shall be as set forth in the Facilities Lease. All furniture, fixtures, equipment and furnishings permanently affixed to the Facilities and the Stadium Expansion shall be the property of the Board upon termination of this Ground Lease whether such termination be by expiration of the Term or an earlier termination under any provision of this Ground Lease.

Section 12.02 The Board's Option to Require Demolition. Upon the Expiration Date of the Term or earlier termination hereof, in the event the Facilities or the Stadium Expansion are no longer suitable for the Board's purposes, the Board in its sole discretion may require the Corporation to demolish the Facilities or the Stadium Expansion and remove the Facilities or the Stadium Expansion from the Land, and restore the Land to substantially the same condition as it existed on the date of this Ground Lease, to be accomplished within one hundred eighty (180) days of such Expiration Date or earlier termination hereof. However, such demolition and removal of the Facilities or the Stadium Expansion shall be at the Board's sole cost and expense. In the event of such election upon the expiration of the Term, the Board shall notify the Corporation no later than six (6) months prior to the expiration of the Term. If this Ground Lease is terminated earlier, the Board shall notify the Corporation within thirty (30) days after the termination.

Section 12.03 Termination of Facilities Lease. Upon the termination of the Facilities Lease as a result of the Board's exercise of its option to purchase the Facilities and the Stadium Expansion granted under the Facilities Lease, all right and interest of the Corporation in and to this Ground Lease, the Facilities Lease and the Facilities and the Stadium Expansion shall be transferred to the Board, and the Corporation hereby agrees to execute any documents necessary to effectuate such transfer, or the Board may require the demolition of the Facilities and the Stadium Expansion as set forth in Section 12.02 above.

Section 12.04 Insurance Proceeds. Notwithstanding the fact that title to the Facilities and the Stadium Expansion is vested in the Board, if the Facilities Lease is no longer in force and effect, and all or any portion of the Facilities and the Stadium Expansion is damaged or destroyed by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty"), the proceeds of any insurance received on account of any such Casualty shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation as though the Corporation were the owner of the Facilities and the Stadium Expansion.

Section 12.05 Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities and the Stadium Expansion due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities and the Stadium Expansion by condemnation, expropriation, or eminent domain proceedings (collectively "Expropriation") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any

abatements, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

ARTICLE XIII CONDEMNATION

Section 13.01 Condemnation. If the Facilities Lease has been terminated, upon the permanent Taking of all the Land, the Facilities and the Stadium Expansion, this Ground Lease shall terminate and expire as of the date of such Taking, and both the Corporation and the Board shall thereupon be released from any liability thereafter accruing hereunder except for Rent and all other amounts secured by this Ground Lease owed to the Board apportioned as of the date of the Taking or the last date of occupancy, whichever is later. The Corporation shall receive notice of any proceedings relating to a Taking and shall have the right to participate therein.

Section 13.02 Partial Condemnation if Facilities Lease is No Longer in Effect. Upon a temporary Taking or a Taking of less than all of the Land, the Facilities and the Stadium Expansion and if the Facilities Lease is no longer in effect, the Corporation, at its election, may terminate this Ground Lease by giving the Board notice of its election to terminate at least sixty (60) days prior to the date of such termination. Upon any such termination, the Rent accrued and unpaid hereunder shall be apportioned to the date of termination. In the event there is a partial condemnation of the Land and the Corporation decides not to terminate this Ground Lease, the Board and the Corporation shall either amend this Ground Lease or enter into a new lease so as to cover an adjacent portion of property, if necessary to restore or replace any portion of the Land and/or Facilities and the Stadium Expansion.

Section 13.03 Partial or Total Condemnation if Facilities Lease is in Effect. If this Ground Lease is terminated under Section 13.01 or in the event of a Taking of less than all of the Land and the Facilities and the Stadium Expansion while the Facilities Lease is in force and effect, and the Board decides to restore or replace the Facilities and the Stadium Expansion in accordance with the Facilities Lease, the Board and the Corporation agree to enter into a new lease (in form and substance substantially the same as this Ground Lease) of a portion of property necessary to place thereon the Facilities and the Stadium Expansion and to enter into a new Facilities Lease (in form and substance substantially the same as the Facilities Lease) covering such replacement Facilities and the Stadium Expansion.

Section 13.04 Payment of Awards - If Facilities Lease is in Effect. Upon the Taking of all or any portion of the Land or the Facilities or and the Stadium Expansion while the Facilities Lease remains in full force and effect (a) the proceeds of the Award allocable to the value of the Facilities and the Stadium Expansion shall be disbursed in accordance with the provisions of the Facilities Lease and the Bond Documents, and (b) the Board shall be entitled (free of any claim by the Corporation) to the Award for the value of the Board's Interest (such value to be determined as if this Ground Lease were in effect and continuing to encumber the Board's Interest); and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.05 Payment of Awards - If Facilities Lease is not in Effect. Upon the Taking of all or any portion of the Land or the Facilities or the Stadium Expansion at any time after the Facilities Lease is no longer in force and effect, (a) the proceeds of the Award allocable to the value of the Facilities or the Stadium Expansion shall be disbursed in accordance with the provisions of the Bond Documents, or if the Bond Documents are no longer in effect shall be disbursed to the Corporation, (b) the Board shall be entitled (free of any claim of the Corporation) to the Award for the value of the Board's Interest in the Land (such value to be determined as if this Ground Lease were in effect and continuing to encumber the

Board's Interest) and (c) the Corporation shall be entitled to the Award for the value of the Corporation's interest in the Land under this Ground Lease that is the subject of the Taking.

Section 13.06 Bond Documents Control. Notwithstanding anything in this Ground Lease to the contrary, in the event of a Casualty or a Taking of all or any portion of the Facilities or the Stadium Expansion, the provisions in the Bond Documents shall control the division, application and disbursement of any insurance proceeds or Award paid as a result thereof for so long as the Bond Documents remain in effect.

ARTICLE XIV ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE CORPORATION'S INTEREST

Section 14.01 Assignment of Leasehold Interest. Except as expressly provided for in Article Six and in this Article Fourteen, the Corporation shall not have the right to sell or assign the leasehold estate created by this Ground Lease, or the other rights of the Corporation hereunder to any Person without the prior written consent of the Board.

Section 14.02 Subletting. The Corporation is not authorized to sublet the leasehold estate to any entity other than the Board; provided, however, that if the Facilities Lease terminates, the Corporation shall have the right to sublease the Facilities to University students, faculty and staff and Permitted Sublessees.

Section 14.03 Transfers of the Corporation's Interest. Except as otherwise expressly provided herein, any Person succeeding to the Corporation's interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Corporation hereunder and shall be subject to the terms and provisions of this Ground Lease.

ARTICLE XV COMPLIANCE CERTIFICATES

Section 15.01 The Corporation Compliance. The Corporation agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by the Board, to execute, acknowledge and deliver to the Board or to such other party as the Board shall request, a statement in writing certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Corporation to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the Board's Interest or by any other Person.

Section 15.02 The Board's Compliance. The Board agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Corporation, to execute, acknowledge and deliver to the Corporation a statement in writing addressed to the Corporation or to such other party as the Corporation shall request, certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) to the best of its knowledge after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default); (d) during the construction period, the status of

construction of the Facilities and the Stadium Expansion and the estimated date of completion thereof; and (e) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Facilities and the Stadium Expansion, or by any other Person.

**ARTICLE XVI
TAXES AND LICENSES**

Section 16.01 Payment of Taxes. The Board shall pay, and, upon request by the Corporation, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Corporation's interest in the Land or in the Facilities and the Stadium Expansion or upon any of the Corporation's property used in connection therewith or upon the Board or the Board's Interest. The Board may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Board to pay taxes and fees under this Section 16.01 shall apply only to the extent that the Board or the Corporation are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The Board and the Corporation agree to cooperate fully with each other to the end that tax exemptions available with respect to the Land, the Facilities and the Stadium Expansion under applicable law are obtained by the party or parties entitled thereto.

Section 16.02 Contested Tax Payments. The Board shall not be required to pay, discharge or remove any such taxes or assessments so long as the Board is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. The Corporation shall cooperate with the Board in completing such contest and the Corporation shall have no right to pay the amount contested during the contest. The Corporation, at the Board's expense, shall join in any such proceeding if any law shall so require.

**ARTICLE XVII
FORCE MAJEURE**

Section 17.01 Discontinuance During Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Corporation, the Corporation shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The Board shall not be obligated to recognize any delay caused by Force Majeure unless the Corporation shall within ten (10) days after the Corporation is aware of the existence of an event of Force Majeure, notify the Board thereof.

**ARTICLE XVIII
MISCELLANEOUS**

Section 18.01 Nondiscrimination, Employment and Wages. Any discrimination by the Corporation or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Ground Lease, is prohibited.

Section 18.02 Notices. Notices or communications to the Board or the Corporation required or appropriate under this Ground Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid,

or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Assistant Vice President for Facilities Planning

with copies to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

If to the Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

with a copy to:

Seale & Ross
200 North Cate Street
Hammond, LA 70404
Attention: T. Jay Seale

If to Bond Insurer:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Insured Portfolio Management

If to Trustee:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, FL 32256
Attention: Corporate Trust Division

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Section 18.03 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of Lessor and Lessor hereunder.

Section 18.04 Memorandum of Lease. Neither the Board nor the Corporation shall file this Ground Lease for record in Tangipahoa Parish, Louisiana or in any public place without the written consent of the other. In lieu thereof the Board and the Corporation agree to execute in recordable form a memorandum of this Ground Lease in the form of Exhibit C attached hereto. Such memorandum shall be filed for record in Tangipahoa Parish, Louisiana.

Section 18.05 Attorney's Fees. If either party is required to commence legal proceedings relating to this Ground Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 18.06 Louisiana Law to Apply. This Ground Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Tangipahoa Parish, Louisiana.

Section 18.07 Warranty of Peaceful Possession. The Board covenants that the Corporation, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Corporation, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Land, the Facilities and the Stadium Expansion during the Term, subject to the Facilities Lease, and may exercise all of its rights hereunder; and the Board agrees to warrant and forever defend the Corporation's right to such occupancy, use, and enjoyment and the title to the Land against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Ground Lease, the Facilities Lease, and the matters listed on Exhibit B attached hereto.

Section 18.08 Curative Matters. Except for the express representations and warranties of the Board set forth in this Ground Lease, any additional matters necessary or desirable to make the Land useable for the Corporation's purpose shall be undertaken, in the Corporation's sole discretion, at no expense to the Board. The Corporation shall notify the Board in writing of all additional matters undertaken by the Corporation to make the Land usable for the Corporation's purpose.

Section 18.09 Nonwaiver. No waiver by the Board or the Corporation of a breach of any of the covenants, conditions, or restrictions of this Ground Lease shall constitute a waiver of any subsequent

breach of any of the covenants, conditions or restrictions of this Ground Lease. The failure of the Board or the Corporation to insist in any one or more cases upon the strict performance of any of the covenants of the Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the Board or acceptance of payment by the Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the Board or the Corporation of any provision of this Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 18.10 Terminology. Unless the context of this Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word “includes” or “including” shall mean “including without limitation”; (d) the word “or” shall have the inclusive meaning represented by the phrase “and/or”; (e) the words “hereof,” “herein,” “hereunder,” and similar terms in this Ground Lease shall refer to this Ground Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Ground Lease and the Table of Contents to this Ground Lease are for reference purposes and shall not control or affect the construction of this Ground Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Ground Lease unless otherwise specified. All exhibits attached to this Ground Lease constitute a part of this Ground Lease and are incorporated herein. All references to a specific time of day in this Ground Lease shall be based upon Central Standard Time (or the other standard of measuring time then in effect in Hammond, Louisiana).

Section 18.11 Counterparts. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 18.12 Severability. If any clause or provision of this Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of Ground Lease shall not be affected thereby.

Section 18.13 Authorization. By execution of this Ground Lease, the Corporation and the Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Ground Lease have been taken and performed; and that the persons signing this Ground Lease on their behalf have due authorization to do so.

Section 18.14 Ancillary Agreements. In the event it becomes necessary or desirable for the Board to approve in writing any ancillary agreements or documents concerning the Land or concerning the construction, operation or maintenance of the Facilities and the Stadium Expansion or to alter or amend any such ancillary agreements between the Board and the Corporation or to give any approval or consent of the Board required under the terms of this Ground Lease, all agreements, documents or approvals shall be forwarded to the Board Representative.

Section 18.15 Amendment. No amendment, modification, or alteration of the terms of this Ground Lease shall be binding unless the same be in writing dated on or subsequent to the date hereof and duly executed by the parties hereto and consented to the extent required by Article VIII of the Agreement.

Section 18.16 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another educational institution or the Board into another educational management board.

Section 18.17 Entire Agreement. This Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the Land and contains all of the terms and conditions agreed upon with respect to the lease of the Land, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System on the _____ day of _____, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: _____

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of University Facilities, Inc. on the _____ day of _____, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this _____ day of _____, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "*Board*"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

WITNESSES:

NOTARY PUBLIC

STATE OF LOUISIANA

PARISH OF ORLEANS

BE IT KNOWN, that on this _____ day of _____, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Vice Chairperson of University Facilities, Inc. (the "*Corporation*"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

WITNESSES:

NOTARY PUBLIC

LAND DESCRIPTION ATTACHED

PERMITTED ENCUMBRANCES

1. Amended and Restated Ground Lease Agreement dated July 27, 2000 by and between the Board of Supervisors for the University of Louisiana System, as lessor, and University Facilities, Inc., as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.
2. Amended and Restated Agreement to Lease with Option to Purchase dated July 27, 2000 by and between University Facilities, Inc., as lessor, and the Board of Supervisors for the University of Louisiana System, as lessee, relating to the 11.28 acre tract described as Tract 2 herein and the portion of the Facilities located thereon.
3. Assignment of Leases and Rents dated July 27, 2000 by and between University Facilities, Inc., as assignor, and Hibernia National Bank, as assignee, relating to all leases and rents from the portion of the Facilities located on the 11.28 acre tract described as Tract 2 herein.

MEMORANDUM OF GROUND LEASE

STATE OF LOUISIANA
PARISH OF TANGIPAHOA

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

MEMORANDUM OF LEASE

This Memorandum of Lease (this “*Memorandum*”) is entered into by and between the Board of Supervisors for the University of Louisiana System (“*Lessor*”) and University Facilities, Inc. (“*Lessee*”).

RECITALS

A. Lessor and Lessee have entered into an Amended and Restated Ground Lease Agreement dated as of _____ 1, 2013 (the “*Lease*”), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibit A attached hereto and incorporated herein (the “*Land*”) and the facilities which are and will be located on the Land as more particularly described in the Lease.

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties’ rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on _____, 2013 and shall continue until midnight on August 1, 2047, unless sooner terminated or extended as provided in the Lease.
2. Lessor has the right under the Lease to purchase the improvements constructed by Lessee on the Land at any time during the term of the Lease in accordance with the provisions thereof.
3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System
 1201 North 3rd Street, Suite 7300
 Baton Rouge, Louisiana 70802
 Attention: Assistant Vice President for Facilities Planning

Lessee: University Facilities, Inc.
 SLU Box 10709
 Hammond, Louisiana 70402
 Attention: Executive Director

This Memorandum is executed for the purpose of recordation in the public records of Tangipahoa Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

THUS DONE AND PASSED on the ___ day of _____, 2013, in Hammond, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with _____, _____, of University Facilities, Inc., and me, Notary.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____

NOTARY PUBLIC

FACILITIES

[TO COME]

FORM OF
AMENDED AND RESTATED
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.
(as Lessor)

and

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM,
ON BEHALF OF SOUTHEASTERN LOUISIANA UNIVERSITY
(as Lessee)

Dated as of _____ 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2013

\$15,000,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004B

\$925,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Taxable Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc. Project)
Series 2004C

AND

\$5,545,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007A

\$2,490,000
Louisiana Local Government Environmental Facilities and
Community Development Authority Revenue Bonds
(Southeastern Louisiana University Student
Housing/University Facilities, Inc.:
Phase Four Parking Project)
Series 2007B

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| Section 1. Definitions | 2 |
| Section 2. Agreement to Lease; Term of Lease..... | 11 |
| Section 3. Acknowledgments, Representations and Covenants of the Board | 12 |
| Section 4. Representations and Covenants of the Corporation..... | 14 |
| Section 5. Waiver and Disclaimer of Warranties | 14 |
| Section 6. Rental..... | 15 |
| Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service. | 18 |
| Section 8. Utilities. | 19 |
| Section 9. Insurance..... | 19 |
| Section 10. Condemnation, Casualty and Other Damage. | 21 |
| Section 11. Application of Insurance Proceeds; Condemnation Award. | 21 |
| Section 12. Encumbrances. | 22 |
| Section 13. Assignment and Sublease..... | 23 |
| Section 14. Additions and Improvements Removal..... | 23 |
| Section 15. Right of Entry..... | 23 |
| Section 16. Mortgage Prohibition. | 24 |
| Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest..... | 24 |
| Section 18. Quiet Enjoyment. | 24 |
| Section 19. Environmental Compliance and Indemnity..... | 24 |
| Section 20. The Corporation's Reservation of Rights..... | 25 |
| Section 21. Default by the Board. | 26 |
| Section 22. Cumulative Remedies. | 26 |
| Section 23. Option to Purchase. | 27 |
| Section 24. Severability. | 29 |
| Section 25. Redemption of Bonds..... | 29 |
| Section 26. Additional Bonds. | 29 |
| Section 27. Execution..... | 29 |
| Section 28. Law Governing..... | 29 |
| Section 29. Nonappropriation of Funds. | 30 |
| Section 30. Exculpatory Provision. | 30 |
| Section 31. Amendments. | 30 |
| Section 32. Recording. | 30 |
| Section 33. Construction Against Drafting Party..... | 31 |
| Section 34. Time of the Essence. | 31 |
| Section 35. No Waiver. | 31 |
| Section 36. Survival. | 31 |
| Section 37. Counterparts. | 31 |
| Section 38. Estoppel Certificates. | 31 |
| Section 39. Waiver of Jury Trial. | 31 |
| Section 40. Written Amendment Required. | 32 |
| Section 41. Entire Agreement. | 32 |
| Section 42. Signs..... | 32 |
| Section 43. Litigation Expenses..... | 32 |
| Section 44. Brokers. | 32 |
| Section 45. No Easements for Air or Light..... | 32 |

Section 46. Binding Effect32
Section 47. Rules of Interpretation.....32
Section 48. Relationship of Parties.33
Section 49. Law Between the Parties.....33
Section 50. Notices.....33

EXHIBIT A DESCRIPTION OF FACILITIES

AMENDED AND RESTATED
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

This AMENDED AND RESTATED AGREEMENT TO LEASE WITH OPTION TO PURCHASE (together with any amendment hereto or supplement hereof, the "*Facilities Lease*"), dated and effective as of _____ 1, 2013, is entered into by and between UNIVERSITY FACILITIES, INC., a Louisiana nonprofit corporation represented herein by its _____, _____ (the "*Corporation*"); and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by _____, _____, duly authorized amends and restates in its entirety that certain Agreement to Lease with Option to Purchase dated as of August 1, 2004, as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Facilities Lease*").

WITNESSETH:

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to Louisiana Revised Statutes 17:3217;

WHEREAS, the Corporation is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Corporation;

WHEREAS, in order to further these functions of the Board, by demolition of certain existing facilities and renovation, development and construction of housing and related facilities for students, faculty and staff on the campus of the University (the "*Campus*"), the Board has deemed it advisable that a portion of the Campus be leased to the Corporation for the purpose of demolishing certain existing facilities and renovating, developing and constructing such housing and related facilities and leasing such housing facilities back to the Board;

WHEREAS, pursuant to the Ground and Buildings Lease Agreement dated as of August 1, 2004, as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007, as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012, each by and between the Board and the Corporation (the "*Prior Ground Lease*"), the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of the Prior Facilities Lease;

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A.

(the "Trustee"), dated as of August 1, 2004 (the "Series 2004 Indenture"), the Issuer issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds"), its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds") and its \$925,000 Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "Series 2004C Bonds" and, together with the Series 2004A Bonds, the Series 2004B Bonds, the "Series 2004 Bonds");

WHEREAS, the proceeds of the Series 2004 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Series 2004 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "Series 2004 Facilities"), (iii) fund the costs of marketing the Series 2004 Facilities; (iv) provide working capital for the Series 2004 Facilities, (v) fund a deposit to a Debt Service Reserve Fund, (vi) pay capitalized interest on the Series 2004 Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Series 2004 Bonds, including the premium for a bond insurance policy insuring the Series 2004 Bonds;

WHEREAS, pursuant to a Trust Indenture between the Issuer and the Trustee dated as of March 1, 2007 (the "Series 2007 Indenture"), the Issuer issued its \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the "Series 2007A Bonds") and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B (the "Series 2007B Bonds" and, together with the Series 2007A Bonds, the "Series 2007 Bonds");

WHEREAS, the proceeds of the Series 2007 Bonds were loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of March 1, 2007 (the "Series 2007 Loan Agreement"), between the Issuer and the Corporation in order to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) develop and construct the Phase Four Facilities (as defined herein), (ii) fund a deposit to the Debt Service Reserve Fund, and (iii) pay costs of issuance of the Series 2007 Bonds, including the premium for a bond insurance policy insuring the Series 2007 Bonds;

WHEREAS, Section 31 of the Prior Facilities Lease and Section 8.03 of the Series 2004 Loan Agreement and Section 8.03 the Series 2007 Loan Agreement provide that the Prior Facilities Lease may be amended in order to amend or modify the Prior Facilities Lease in any manner that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Series 2004 Bonds, the Series 2007 Bonds, the Bond Insurer (as hereinafter defined) or the Trustee; and

WHEREAS, the Issuer is issuing its \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities Inc. Student Housing Project) Series 2013 (the "Series 2013 Bonds") in order to refund the Series 2004A Bonds and in connection therewith, in accordance with the aforementioned provisions, the Board and the Corporation desire to amend and restate the Prior Facilities Lease in its entirety in order to provide for references to the Series 2013 Bonds.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of and as used in this Facilities Lease, have the meanings as set forth below. All other capitalized terms used herein without definition shall have the meanings as set forth in

the Indenture (as hereinafter defined). Other terms shall have the meanings assigned to them in other Sections of this Facilities Lease.

“Additional Bonds” means bonds, if any, issued in one or more series on a parity with the Series 2004 Bonds, the Series 2007 Bonds and Series 2013 Bonds pursuant to Article V of the Indenture.

“Additional Debt” means any obligation (whether present or future, contingent or otherwise, as principal or security or otherwise): (i) in respect of borrowed money, including without limitation, bonds, notes and similar obligations; or (ii) under a lease arrangement, installment sale agreement or other similar arrangement, that is secured by or payable from Rents.

“Additional Facilities” means any additional student housing facilities owned or leased by the Board or the Corporation that have been incorporated with the Facilities into a single housing system pursuant to Section 3(i) hereof.

“Additional Rental” means the amounts specified as such in Section 6(c) of this Facilities Lease.

“Administrative Expenses” means the necessary, reasonable and direct out-of-pocket expenses incurred by the Issuer or the Trustee pursuant to the Indenture and the Agreement, the compensation of the Trustee under the Indenture (including, but not limited to any annual administrative fee charged by the Trustee), the compensation of the Issuer, any amounts due to the Bond Insurer under the Reimbursement Agreement and the necessary, reasonable and direct out-of-pocket expenses of the Trustee incurred by the Trustee in the performance of its duties under the Indenture.

“Agreement” mean, collectively, the Series 2004 Agreement, the Series 2007 Agreement and the Series 2013 Agreement, including any amendments and supplements thereof and thereto as permitted thereunder.

“Annual Debt Service” means the amount required to pay all principal of and interest on a series of Bonds and any Additional Debt (as defined in the Facilities Lease), as applicable, in any Fiscal Year. For purposes of calculating the Annual Debt Service on a series of Bonds or Additional Debt the interest rate borne by which is not fixed to the maturity thereof on any date, for any period during which an interest swap or similar agreement shall be in effect whereunder the Corporation or the Board pays a fixed rate and the swap provider pays a floating rate that, in the judgment of the Authorized Corporation Representative (as evidenced by a certificate delivered to the Trustee) approximates the variable rate payable on such series of Bonds or Additional Debt, the interest rate on such series of Bonds or Additional Debt shall be deemed to be equal to the fixed rate payable by the Corporation or the Board under such interest swap or similar agreement and for any period during which such an agreement shall not be in effect the interest rate on such Bonds or Additional Debt shall be deemed to be the average interest rate borne by such series of Bonds or Additional Debt during the immediately preceding twelve (12) month period or, if such series of Bonds or Additional Debt has borne a floating rate for less than twelve (12) months, such series of Bonds or Additional Debt shall be treated as if it bears interest at the 25-year Revenue Bond Index as published by *The Bond Buyer* on the date of determination.

“Authorized Corporation Representative” means any person at the time designated to act on behalf of the Corporation by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Corporation by the Vice Chairperson of the Corporation. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

“Auxiliary Revenues” means the amount of all funds or revenues held by the University derived by Auxiliary Enterprises and any earnings thereof from the self-generated fees, rates, charges or income received by students, faculty or the public in connection with the utilization or operation of Auxiliary Enterprises after payment of any Auxiliary Enterprises expenses. The Auxiliary Enterprises of the University include the following, subject to modification from time to time: 1) student service fees for the operation of the University’s Textbook Rental, ID Card Services, Student Health Center and Student Union 2) certain commissions received from Food Service contractors, Retail Bookstore operations and Vending operations and 3) the sales of copying services. Auxiliary Revenues shall not include student fees specifically assessed by the University to service any outstanding obligations or any capital funds received by outside contractors required to make building improvements for their delivery of services.

“Base Rental” means the amounts referred to as such in Section 6(b) of this Facilities Lease (as such amounts may be adjusted from time to time in accordance with the terms hereof) but does not include Additional Rental.

“Board” means Board of Supervisors for the University of Louisiana System, or its legal successor as the management board of the University, acting on behalf of the University.

“Board Representative” means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Facilities Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Assistant Vice President for Facilities Planning, or his or her designee, the President of the University, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

“Bond Documents” shall have the meaning set forth in Section 3.12 of the Indenture.

“Bonds” means, collectively, the Series 2004 Bonds, the Series 2007 Bonds, the Series 2013 Bonds and any Additional Bonds issued pursuant to a supplemental Indenture as authorized hereby.

“Budget” means the University’s budget as approved by the Board for any Fiscal Year during the Term.

“Business Day” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Jacksonville, Florida, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“CERCLA” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§9601 et seq.).

“Claim” collectively means any claim, liability, demand, loss, damage, deficiency, litigation, cause of action, penalty, fine, judgment, defense, imposition, fee, lien, bonding cost, settlement, disbursement, penalty, cost or expenses of any and every kind and nature (including without limitation Litigation Expenses), whether known or unknown, incurred or potential, accrued, absolute, direct, indirect, contingent or otherwise and whether imposed by strict liability, negligence, or otherwise, and consequential, punitive and exemplary damage claims.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“*Commencement Date*” means the effective date of this Facilities Lease, which is _____, 2013.

“*Corporation*” means University Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payments or provision for payment of all of the Bonds.

“*Debt Service Coverage Ratio*” means, collectively, the Debt Service Coverage Ratio for the Facilities and the Debt Service Coverage Ratio for the University.

“*Debt Service Coverage Ratio for the Student Housing Facilities*” means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Net Revenues of the Facilities for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Debt issued and proposed to be issued for such Fiscal Year; provided, however, that for the purpose of calculating the Debt Service Coverage Ratio pursuant to subsection (ii) of Section 3(i) hereof, to determine whether the Board may build, acquire or renovate any Additional Facilities, the numerator of the fraction representing the Debt Service Coverage Ratio shall be increased by the additional anticipated revenues, if any, to be derived from the Additional Facilities to be constructed with the proceeds resulting from the Additional Debt as certified by the Vice-President for Administration and Finance of the University.

“*Debt Service Coverage Ratio for the Parking Facilities*” means, for any Fiscal Year, the ratio determined by the Vice President for Administration and Finance of the University by dividing the amount of Auxiliary Revenues and the Student Fee for such Fiscal Year by Annual Debt Service on the Series 2007 Bonds outstanding and on any Additional Bonds issued and proposed to be issued for such Fiscal Year.

“*Debt Service Coverage Ratio for the University*” means, for any Fiscal Year, the ratio determined by the Vice-President for Administration and Finance of the University by dividing the amount of Lawfully Available Funds for such Fiscal Year by Annual Debt Service on the Bonds outstanding and on any Additional Debt issued and proposed to be issued for such Fiscal Year.

“*Debt Service Fund*” means the fund of that name created under of the Indenture.

“*Debt Service Reserve Fund*” means the fund of that name created under the Indenture.

“*Debt Service Reserve Fund Requirement*” means, with respect to the Bonds, the least of (a) ten percent (10%) of the stated principal amount thereof (less any original issue discount that exceeds a *de minimis* amount), (b) one hundred twenty-five percent (125%) of the average Annual Debt Service thereon from the date of calculation to the final maturity thereof, (c) the Maximum Annual Debt Service thereon, or (d) such lesser sum as shall be required by the Code and the Regulations to ensure the exclusion of the interest thereon from the gross income of the owners thereof for federal income tax purposes.

“*Default or Delay Rental*” means and shall consist of (i) all amounts, fees or expenses which the Corporation may be legally obligated to pay to Other Parties by reason of any default of the Board hereunder or any delay in payment of any sums due by the Board hereunder; and (ii) all costs, expenses and charges, including reasonable Legal Expenses, incurred by the Corporation whether by suit or otherwise, in collecting sums payable hereunder or in enforcing any covenant or agreement of the Board contained in this Facilities Lease or incurred in obtaining possession of the Facilities after default by the Board.

“*Encumbrance*” means any lien, mortgage, encumbrance, privilege, charge, option, right of first refusal, conditional sales contract, security interest, mechanic’s and materialmen’s liens, or any lien or encumbrance securing payment of any Claims, including environmental Claims, or of any charges for labor, materials, supplies, equipment, taxes, or utilities, excluding the Option granted to the Board herein.

“*Environmental Requirements*” means all State, federal, local, municipal, parish, and regional laws, statutes, rules, regulations, ordinances, codes, permits, approvals, plans, authorizations, concessions, investigation results, guidance documents; all legislative, judicial, and administrative judgments, decrees, orders, rules, rulings, and regulations; and all agreements and other restrictions and requirements in effect on or prior to the Commencement Date, of any Governmental Authority, including, without limitation, federal, state, and local authorities, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, or pollutants, and including without limitation the following environmental laws: The Clean Air Act (42 U.S.C.A. §1857); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901); CERCLA, as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601); the Clean Water Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §30); the Occupational Safety and Health Act (29 U.S.C. §651); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §135); the Louisiana Environmental Quality Act (La. R.S. 30:2001); and the Louisiana Air Quality Regulations (La. C. 33:III.2595) including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

“*Event of Default*” means any default specified in and defined as such by Section 21 hereof.

“*Expiration Date*” means the earlier of August 1, 2047, or the date that all amounts owed under the Indenture have been paid.

“*Extraordinary Rental*” means the amounts specified as such in Section 6(j) of this Facilities Lease.

“*Facilities*” means, collectively, the Series 2004 Facilities and the Series 2007 Facilities described in Exhibit D attached to the Ground Lease, as amended and supplemented in accordance with the provisions of the Agreement, which were renovated and constructed with the proceeds of the Series 2004 Bonds and the Series 2007 Bonds.

“*Facilities Lease*” means this Amended and Restated Agreement to Lease With Option to Purchase, including the Exhibits attached hereto, and any amendment or supplement hereto entered into from time to time in accordance with the terms hereof.

“*Fiscal Year*” means the fiscal year of the State, which at the date of this Facilities Lease is the period from July 1 to and including the following June 30.

“*Governmental Authority*” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

“*Governmental Regulations*” means any and all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation reports, guidelines, and requirements or accreditation standards of any Governmental Authority having jurisdiction over the Corporation and/or the Board, or affecting the Facilities.

“*Ground Lease*” means that certain Amended and Restated Ground and Buildings Lease dated as of _____ 1, 2013 by and between the Board, as Lessor on behalf of the University, and the Corporation, as Lessee.

“*Hazardous Substance*” means (a) any “hazardous substance” as defined in §101(14) of CERCLA or any regulations promulgated thereunder; (b) petroleum and petroleum by-products; (c) asbestos or asbestos containing material (“ACM”); (d) polychlorinated biphenyls; (e) urea formaldehyde foam insulation; or (f) any additional substances or materials which at any time are classified, defined or considered to be explosive, corrosive, flammable, infectious, radioactive, mutagenic, carcinogenic, pollutants, hazardous or toxic under any of the Environmental Requirements.

“*Indenture*” means, collectively, the Series 2004 Indenture, the Series 2007 Indenture and the Series 2013 Indenture, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Interest Payment Date*” or “*interest payment date*,” when used with respect to the Series 2004B Bonds that bear interest at a Fixed Rate, the Series 2004C Bonds, the Series 2007 Bonds and the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014, when used with respect to Auction Rate Bonds, means the Business Day following each Auction Date, and with respect to Variable Rate Bonds, means the dates set forth in the supplemental indenture executed in connection with the applicable Variable Rate Conversion.

“*Issuer*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act (as defined in the Indenture), or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Issuer by said provisions shall be given by law.

“*Land*” means the real property more particularly described on Exhibit A attached to the Ground Lease upon which certain existing facilities are to be demolished and upon which the Facilities are to be renovated, constructed and located.

“*Lawfully Available Funds*” means, collectively, the Series 2004 Lawfully Available Fund and the Series 2007 Lawfully Available Funds.

“*Legal Expenses*” means the reasonable fees and charges of attorneys and of legal assistants, paralegals, law clerks and other persons and entities used by attorneys and under attorney supervision and all costs incurred or advanced by any of them irrespective of whether incurred in or advanced prior to the initiation of any legal, equitable, arbitration, administrative, bankruptcy, trial or similar proceedings and any appeal from any of same.

“*Litigation Expenses*” means all out-of-pocket costs and expenses incurred as a result of a Default, or in connection with an indemnification obligation, including Legal Expenses, the reasonable fees and charges of experts and/or consultants, and all court costs and expenses.

“*Management Agreement*” means the Management Agreement dated as of _____, 20___, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Series 2004 Facilities.

“*Management Company*” means _____, and its successor under any Management Agreement.

“*Management Fee*” means the fee owed to the Management Company of the Series 2004 Facilities pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

“*Maximum Annual Debt Service*” with respect to a series of Bonds issued under the Indenture, means the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or subject to mandatory sinking fund redemption.

“*Net Revenues of the Facilities*” means, with respect to any period, the excess of the Rents (determined on a cash basis) over Operating Expenses (before extraordinary items) of the Series 2004 Facilities and any Additional Facilities, determined in accordance with generally accepted accounting principles, and excluding: (a) any profits or losses on the sale or disposition, not in the ordinary course of business, of investments or fixed or capital assets or resulting from the early extinguishment of debt; (b) gifts, grants, bequests, donations and contributions, to the extent specifically restricted by the donor to a particular purposes inconsistent with their use for the payment of Annual Debt Service on the Bonds or Additional Debt; and (c) the net proceeds of insurance (other than business interruption insurance) and condemnation awards.

“*Notice*” shall have the meaning set forth in Section 50 hereof.

“*Operating Expenses*” means the current expenses of operation, maintenance and current repair of the Series 2004 Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker’s compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the Agreement or this Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Issuer (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. “*Operating Expenses*” will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Series 2004 Facilities; or (4) amortization of financing costs.

“*Option to Purchase*” or “*Option*” means the option to purchase the Corporation’s interest in the Facilities granted in Section 23 of this Facilities Lease.

“*Other Parties*” means a Person other than the Parties.

“*Parties*” means, collectively, the Corporation and the Board.

“*Permitted Sublessees*” means persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Series 2004 Facilities for a period of one (1) month or less pursuant to a concession or other housing arrangement with the University.

“*Permitted Use*” means the operation of the Series 2004 Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

“*Person*” means all juridical persons, whether corporate or natural, including individuals, firms, trusts, corporations, associations, joint ventures, partnerships, and limited liability companies or partnerships.

“*Principal Payment Date*” means each August 1, commencing August 1, 2014.

“*Project Fund*” means the fund of that name created under the Indenture.

“*Receipts Fund*” means the fund of that name created under the Indenture.

“*Remediation*” means any and all costs incurred due to any investigation of the Facilities or any remediation, response, cleanup, removal, or restoration required by any Governmental Regulation or Governmental Authority or by Environmental Requirements.

“*Rental*” means and includes the Base Rental and Additional Rental.

“*Rents*” means all revenues actually received from any source by, or on behalf the Board or the University with respect to the Series 2004 Facilities and any Additional Facilities, including without duplication, all collected rents and other charges for the use or occupancy of the Series 2004 Facilities, parking charges and revenues, utility charges, vending machine and laundry machine revenues and forfeited security deposits relating to the Series 2004 Facilities, and rental interruption insurance proceeds actually received by or on behalf of the Board or the University (net of the costs of collecting such proceeds), if any; excluding tenants’ security deposits unless and until applied in satisfaction of tenants’ obligations as provided for in the Management Agreement and excluding refunds and reimbursements due to students in accordance with University policy.

“*Replacement Fund*” means the fund of that name created under the Indenture.

“*Series 2004 Agreement*” means the Loan Agreement dated as of August 1, 2004, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Bonds*” means, collectively, the Series 2004A Bonds, the Series 2004B Bonds and the Series 2004C Bonds.

“*Series 2004A Bonds*” means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A, initially bearing interest at the Fixed Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$60,985,000, including such Series 2004A Bonds issued in exchange for other such Series 2004A Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004A Bonds pursuant to the Indenture.

“*Series 2004B Bonds*” means the Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B, initially bearing interest at the Auction Rate and authorized to be issued by the Issuer in the aggregate principal amount of \$15,000,000, including such Series 2004B Bonds issued in exchange for other such Series 2004B Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004B Bonds pursuant to the Indenture.

“*Series 2004C Bonds*” means the Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C, and authorized to be issued by the Issuer in the aggregate principal amount of \$925,000, including such Series 2004C Bonds issued in exchange for other such Series 2004C Bonds pursuant to the Indenture, or in replacement for mutilated, destroyed, lost or stolen Series 2004C Bonds pursuant to the Indenture.

“*Series 2004 Facilities*” means the student housing and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2004 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of August 1, 2004, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Series 2004 Lawfully Available Funds*” means all unrestricted funds available to the University and appropriated by the Board to make Rental payments from any source, including Rents.

“*Series 2007 Agreement*” means the Loan Agreement dated as of March 1, 2007, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Bonds*” means, collectively, the Issuer’s \$5,545,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the “*Series 2007A Bonds*”) and its \$2,490,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007B.

“*Series 2007 Facilities*” means the parking and related facilities described in Exhibit D hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Series 2007 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of March 1, 2007, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Series 2007 Lawfully Available Funds*” means, collectively, the Auxiliary Revenues and the Student Fee Revenues, as designated by the Board in its budget process to make Rental payments.

“*Series 2013 Agreement*” means the Loan Agreement dated as of _____ 1, 2013, between the Corporation and the Issuer, including any amendments and supplements thereof and thereto as permitted thereunder.

“*Series 2013 Bonds*” means the Issuer’s \$_____ Revenue Refunding Bonds (Southeastern Louisiana University/University Facilities, Inc. Student Housing Project) Series 2013.

“*Series 2013 Indenture*” means that certain Trust Indenture by and between the Trustee and the Issuer dated as of _____ 1, 2013, including any amendment and supplements thereof and thereto as permitted thereunder.

“*Stadium Expansion*” means the Football Stadium Improvements described in Exhibit A hereto, as amended and supplemented in accordance with the provisions of the Agreement.

“*Stadium Expansion Land*” means the real property more particularly described on Exhibit A to the Ground Lease upon which the Stadium Expansion is to be renovated, constructed and located.

“*State*” means the State of Louisiana.

“*Student Fee*” means the student parking garage fee assessed on all University students for the planning, building and maintaining of a University parking garage, as designated by the Board in its budget process to make Rental payments. The referendum for the fee of \$20.00 per semester and \$10.00 each summer was voted on and passed by students at the University on October 24-26, 2005.

“*Student Fee Revenues*” means the amount of all funds or revenues held by the University derived by the Student Fee.

“*Term*” means the term of this Facilities Lease, as provided in Section 2 hereof.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of this Indenture, initially The Bank of New York Mellon Trust Company, N.A.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

Section 2. Agreement to Lease; Term of Lease. The Corporation hereby leases the Facilities to the Board, and the Board hereby leases the Facilities from the Corporation effective as of the Commencement Date of this Facilities Lease and agrees upon completion of construction of the Facilities to accept possession of the Facilities and agrees to pay the Base Rental, the Additional Rental and the Extraordinary Rental as provided herein for the use and occupancy of the Facilities, all on the terms and conditions set forth herein. The Board agrees that it will take immediate possession of the Facilities. The Term of this Facilities Lease begins on the Commencement Date and ends on the Expiration Date; provided, however, this Facilities Lease shall terminate prior to the Expiration Date upon the happening of any of the following events:

(a) repayment of the Bonds in full, including principal, premium, if any, interest and all Administrative Expenses with respect to the Bonds or the defeasance of the Bonds, all as set forth in the Indenture;

(b) the exercise by the Board of the Option to Purchase and the purchase of the Corporation’s interest in the Facilities pursuant to the Option; or

(c) any other event described in this Facilities Lease which is specifically stated to cause a termination of this Facilities Lease, including without limitation a Default by the Board, and the failure of the Board to appropriate or cause to be appropriated an amount necessary to pay the Base Rental, all as set forth in Sections 21 and 29 hereof.

Upon the termination of the Facilities Lease under the circumstances set forth in Section 2(a) above, at the Board's option, the Board may require the demolition of the Facilities as set forth in Section 12.02 of the Ground Lease.

Section 3. Acknowledgments, Representations and Covenants of the Board. The Board represents, covenants and agrees as follows:

(a) The Board has full power and authority to enter into this Facilities Lease, the Ground Lease, and the transactions contemplated thereby and agrees to perform all of its obligations hereunder and under the Ground Lease;

(b) The Board has been duly authorized to execute and deliver this Facilities Lease and the Ground Lease and further represents and covenants that this Facilities Lease and the Ground Lease constitute the valid and binding obligations of the Board and that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Facilities Lease and the Ground Lease and the Board has complied with all constitutional and other statutory requirements as may be applicable to the Board in the authorization, execution, delivery and performance of this Facilities Lease and the Ground Lease;

(c) The execution and delivery of this Facilities Lease and the Ground Lease, and compliance with the provisions hereof, will not conflict with or constitute on the part of the Board a violation of, breach of, or default under any constitutional provision, statute, law, resolution, bond indenture or other financing agreement or any other agreement or instrument to which the Board is a party or by which the Board is bound, or any order, rule or regulation of any court or Governmental Authority or body having jurisdiction over the Board or any of its activities or properties with respect to the Facilities; and all consents, approvals or authorizations required of the Board for the consummation of the transactions contemplated hereby have been obtained or timely will be obtained;

(d) Other than that which was previously disclosed, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Board, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease and the Ground Lease;

(e) The Board will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes;

(f) The Board agrees to cause the Facilities to be used for the Permitted Use and shall not allow the Facilities to be used for any other use. No more than five percent (5%) of the gross area of the Facilities will be subleased by the Board or by any sublessees or assigns of the Board to, or otherwise used by, private business and the Board agrees to take all action, to the extent it is legally authorized and able to do so, necessary to prevent the Bonds from being deemed "private activity bonds" within the meaning of Section 141 of the Code; and

(g) The use of the Series 2004 Facilities is essential to the operation of the University by providing modern housing and related facilities for students, faculty and staff of the University. The Board presently intends to make all payments from Series 2004 Lawfully Available Funds for use of the Series 2004 Facilities. There are no alternative facilities available for use as contemplated for the Facilities since there is currently a shortage of available, modern on-campus housing at the University.

(h) The Board covenants that, as long as any bonds, notes or lease obligations remain outstanding that are payable from Series 2004 Lawfully Available Funds, if the Debt Service Coverage Ratio for the Series 2004 Facilities falls below 1.10:1.00 or the Debt Service Coverage Ratio for the University falls below 1.25:1.0, the Board shall use its best efforts to raise its fees, rentals, rates and charges relating to the Series 2004 Facilities so that within two (2) full semesters after either of the Debt Service Coverage Ratios becomes deficient, the Debt Service Coverage Ratio for the Series 2004 Facilities equals 1.10:1.00 and the Debt Service Coverage Ratio for the University equals 1.25:1.0. At the end of two (2) full semesters, if the Debt Service Coverage Ratio for the Series 2004 Facilities is still below 1.10:1.00 or the Debt Service Coverage Ratio for the University is still below 1.25:1.0, the Board shall hire an outside consultant, approved by the Bond Insurer, and the Board shall follow any reasonably feasible recommendations of such consultant regarding the operation and management of the Series 2004 Facilities, including raising fees and rents, reducing expenses and, if necessary, increasing the average occupancy rate through strict enforcement of parietal rules requiring students to reside on campus and, to the extent legally possible, revising parietal rules to increase the number of students required to reside on campus. So long as the Board is working in good faith with such consultant to increase any deficient Debt Service Coverage Ratio, there shall not be an Event of Default hereunder unless (i) the Debt Service Coverage Ratio for the Series 2004 Facilities is less than 1.00:1.00 at the end of any Fiscal Year or (ii) the Debt Service Coverage Ratio for the Facilities is less than 1.10 to 1.00 for two (2) full consecutive semesters after retention of an outside consultant by the Board. For purposes of the foregoing, when establishing such fees, rentals, rates and charges and calculating each Debt Service Coverage Ratio for this Section, the Board shall take into account payments required to be made into the Debt Service Reserve Fund pursuant to Section 4.8(h) of the Indenture. The Board further covenants that it will seek any required approval necessary in order to comply with this covenant.

(i) Without the prior written consent of the Bond Insurer, the University will not build, acquire or renovate any similar student housing facilities, whether such facilities are owned by the University or a private entity, unless (i) the Series 2004 Facilities have met the Debt Service Coverage Ratio for the Series 2004 Facilities for the prior Fiscal Year, (ii) the Series 2004 Facilities are projected to meet the Debt Service Coverage Ratio for the Series 2004 Facilities for the two Fiscal Years following the projected completion of the proposed facility and (iii) based on a market analysis prepared by a market research company with experience in student or multi-family housing, which is independent from the University, the University's proposed project is not expected to have a material adverse effect on the Series 2004 Facilities. Notwithstanding the foregoing, it is understood that with respect to Phase Three of the Facilities anticipated to be financed with Additional Bonds issued under the Indenture, the foregoing tests do not have to be met, provided that the construction of Phase Three of the Facilities does not increase the total number of on-campus housing beds available to the University. Such additional student housing facilities owned or leased by the Board or the Corporation shall be incorporated with the Series 2004 Facilities into a single housing system so that such additional student housing facilities and all revenues derived therefrom shall secure the Bonds, and the Facilities and the revenues derived therefrom, including all revenues derived from the Facilities Lease, will secure any debt incurred to finance such additional student housing facilities. In addition, the Mortgage (as defined in the Indenture) shall be amended to encumber any such Additional Facilities and any revenues derived therefrom to secure the Bonds and any debt incurred to finance such Additional Facilities.

(j) The University shall maintain its policy of requiring all unmarried, full-time undergraduate students with less than 60 credit hours to live in on-campus residence halls. It is understood that the University currently permits certain exceptions to that policy and, except as set forth in Section 4(h) above, the University may continue to permit those exceptions but it shall make no voluntary revisions to such policy that would reduce the number of students required to live in on-campus residence halls (including, without limitation, reducing the number of credit hours to less than 60, increasing the course-load required for status as a "full-time" student or modifying any existing

exemptions from the policy), until the Bonds have been paid in full or the Bond Insurer consents in writing to a change in such policy.

(k) The University shall actively promote the Series 2004 Facilities as a housing alternative and an integral part of the housing system of the University. The University shall, among other things, provide housing brochures to prospective students and allow signs to be posted to promote the Series 2004 Facilities.

Section 4. Representations and Covenants of the Corporation. The Corporation makes the following representations and covenants:

(a) The Corporation has been validly created under the Louisiana Nonprofit Corporation Law, is currently in good standing under the laws of the State, has the power to enter into the transactions contemplated by, and to carry out its obligations under this Facilities Lease, the Ground Lease and the Agreement. The Corporation is not in breach of or in default under any of the provisions contained in any contract, instrument or agreement to which it is a party or in any other instrument by which it is bound. By proper action, the Corporation has been duly authorized to execute and deliver this Facilities Lease, the Ground Lease and the Agreement;

(b) The execution and delivery of this Facilities Lease, the Ground Lease and the Agreement, and compliance with the provisions thereof and hereof, will not conflict with or constitute on the part of the Corporation a violation of, breach of, or default under any statute, indenture, mortgage, declaration or deed of trust, loan agreement or other agreement or instrument to which the Corporation is a party or by which the Corporation is bound or any order, rule or regulation of any court or Governmental Agency or body having jurisdiction over the Corporation or any of its activities or properties; and all consents, approvals and authorizations which are required of the Corporation for the consummation of the transactions contemplated thereby and hereby have been or timely will be obtained;

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Corporation, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of this Facilities Lease, the Ground Lease or any agreement or instrument to which the Corporation is a party;

(d) The Corporation will not take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in gross income for federal income tax purposes.

Section 5. Waiver and Disclaimer of Warranties. The Board acknowledges that the Corporation has not made any representations or warranties as to the suitability or fitness of the Facilities for the needs and purposes of the Board or for any other purpose.

The Board further declares and acknowledges that the Corporation in connection with this Facilities Lease, does not warrant that the Facilities will be upon completion of construction free from redhibitory or latent defects or vices and releases the Corporation of any liability for redhibitory or latent defects or vices under Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695. The Board declares and acknowledges that it does hereby waive the warranty of fitness for intended purposes and guarantee against hidden or latent redhibitory defects and vices under Louisiana law, including Louisiana Civil Code Articles 2520 through 2548 and Louisiana Civil Code Article 2695, and the warranty imposed by Louisiana Civil Code Articles 2476 and 2695, and waives all rights in redhibition pursuant to Louisiana Civil Code Articles 2520, et seq. The Board further declares and

acknowledges that this waiver has been brought to the attention of the Board and explained in detail and that the Board has voluntarily and knowingly consented to this waiver of warranty of fitness and/or warranty against redhibitory defects and vices for the Facilities. Notwithstanding the foregoing, the Board hereby retains all of its rights to proceed against any third parties with respect to such defects.

The Corporation disclaims and the Board waives any warranties and representations with respect to compliance with Governmental Regulations, including Environmental Requirements, or the disposal of, or existence in, on, under, or about the Facilities of any Hazardous Substance. The Board acknowledges that the Corporation reserves in this Facilities Lease all rights to recover from the Board all costs and expenses imposed on the Corporation to bring the Facilities into compliance with any Environmental Requirement, and all costs of Remediation or cleanup of such Hazardous Substance imposed on the Corporation or the Board, which shall be payable by the Board as Additional Rental hereunder to the extent imposed upon the Corporation.

Section 6. Rental

(a) The Board, for and in consideration of the Corporation entering into the Ground Lease, renovating and/or constructing the Facilities in accordance with the Ground Lease and leasing the Facilities to the Board pursuant to the terms hereof, hereby covenants and agrees to pay the Base Rental and Additional Rental in the amounts, subject to amounts for which the Board is entitled to a credit as described in Section 6(d) hereof, at the times and in the manner set forth herein, such amounts constituting in the aggregate the total of the rental payable under this Facilities Lease. The obligation of the Board to make Base Rental and Additional Rental payments shall commence on the Commencement Date and shall not be subject to abatement, set-off or reduction as a result of a failure by the Corporation to complete construction of the Facilities on a timely basis.

(b) The Board agrees to pay Base Rental from Lawfully Available Funds. Payments of Base Rental shall be due on the dates and in the amounts as hereinafter provided:

(i) With respect to the Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing _____ 25, 2013, in an amount equal to one-sixth (1/6th) of the interest due and payable on such Bonds on the next February 1 and August 1, or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Bonds on such Interest Payment Date; and

(ii) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing _____, 2013, in an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Auction Rate Bonds on such Interest Payment Date;

(iii) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Debt Service Fund will be sufficient to pay interest on such Variable Rate Bonds on such Interest Payment Date;

(iv) On the twenty-fifth (25th) day of each month, commencing _____ 25, 2013, in an amount equal to one-twelfth (1/12th) of the principal of the Bonds payable on the next Principal Payment Date;

(v) On the dates required in the Indenture, to the Trustee for deposit into any of the funds established in the Indenture, including, without limitation, the Debt Service Reserve Fund and the Replacement Fund, an amount sufficient to make up any deficiency in any prior payment required to be made into such fund and to restore any loss resulting from investment or other causes from such fund and any other payment required to be made to such fund by the Indenture; and

(vi) Annually, beginning June 25, 2014, an amount equal to \$_____ (representing one-half of one percent (1/2%) of the construction cost of the Facilities), into the Replacement Fund, or such lesser annual amount as is permitted by the Louisiana State Board of Regents and approved by the Bond Insurer.

(c) In addition to the Base Rental set forth herein, the Board agrees to pay as Additional Rental any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation on behalf of the Board and/or by the Board or the University in the management, operation, ownership, and/or maintenance of the Facilities, to the extent such expenses are not paid by the Management Company under any Management Contract, including but not limited to the following costs and expenses:

(i) all taxes, assessments and impositions against the Facilities, including without limitation ad valorem taxes attributed to the Corporation on behalf of the Board (and any tax levied in whole or in part in lieu of or in addition to ad valorem taxes);

(ii) any costs incurred by the Corporation in maintaining the Facilities for the Board and making any alterations, restorations and replacements to the Facilities;

(iii) insurance premiums and other charges for insurance obtained with respect to the Facilities including insurance premiums, if any, on all insurance required under the provisions of Section 9 of this Facilities Lease;

(iv) any Default or Delay Rentals;

(v) all costs incurred by the Corporation in connection with its performance of its obligations relating to the Facilities and/or the Land under the Ground Lease and this Facilities Lease;

(vi) all Administrative Expenses owed to the Issuer or the Trustee;

(vii) Litigation Expenses, if any, incurred pursuant to Section 43 hereof;

(viii) any reimbursement amounts payable pursuant to Section 20 hereof or pursuant to any other provision hereof; and

(ix) any other costs, charges, and expenses commonly regarded as ownership, management, maintenance, and operating expenses, if any, incurred by the Corporation under this Facilities Lease.

Amounts constituting Additional Rental payable hereunder shall be paid by the Board directly to the person or persons to whom such amounts shall be due. The Board shall pay all such amounts when due or within thirty (30) days after notice in writing from the Corporation, the Management Company, or the Trustee to the Board stating the amount of the Additional Rental then due and the purpose thereof.

(d) The Board shall be entitled to a credit against and reduction of each Base Rental payment in an amount equal to any amounts derived from the following sources:

(i) Accrued interest derived from the sale of the Bonds;

(ii) Any capitalization of interest from the proceeds of the Bonds contained in the Capitalized Interest Fund under the Indenture;

(iii) the Rents and any other moneys deposited with the Trustee in the Receipts Fund in accordance with the Indenture and the Management Agreement.

(iv) Surplus moneys (including investment earnings) contained in the funds and accounts held by the Trustee under the Indenture, including the Debt Service Fund, the Debt Service Reserve Fund and the Replacement Fund;

(e) Notwithstanding any other provision of the Facilities Lease, the obligation of the Board to make payments under this Facilities Lease, including payments of Base Rental and Additional Rental, shall be subject to, and dependent upon, appropriation of Legally Available Funds necessary to make the payments required under this Facilities Lease. The Vice President for Finance and Administration of the Board shall cause the University to include in the Budget and, if necessary, any amendments to the Budget, an amount of Lawfully Available Funds sufficient to make the payments of Base Rental and Additional Rental described herein which amounts may or may not ultimately be appropriated by the Board for such purpose. Subject to the foregoing and Section 29 hereof, the obligations of the Board to make payments pursuant to this Facilities Lease, and to perform and observe the other agreements and covenants on its part contained herein, shall be absolute and unconditional and shall not be subject to any diminution, abatement, set-off, or counterclaim. Subject to the foregoing and Section 29 hereof, until such time as the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with this Facilities Lease, the Board shall not suspend or discontinue payment of Rental or any other payments pursuant to this Facilities Lease for any cause, and shall continue to perform and observe all of its agreements contained in this Facilities Lease. The Corporation and the Board acknowledge and agree that the obligation of the Board to pay Rental shall constitute a current expense of the Board payable by the Board from funds budgeted and appropriated in accordance with law for and in consideration of the right to use the Facilities during the Term and that such obligation shall not in any manner be construed to be a debt of the Board in contravention of any constitutional or statutory limitations or requirements concerning indebtedness of the Board and nothing contained herein shall constitute a pledge, lien or encumbrance upon any specific tax or other revenues of the Board.

(f) The payments of Base Rental and Additional Rental under this Facilities Lease for each Fiscal Year or portion thereof during the Term shall constitute the total Rental for such Fiscal Year or portion thereof and shall be paid by the Board for and in consideration of the construction by the Corporation of the Facilities and the right to the use and occupancy of the Facilities by the Board for and during such Fiscal Year or portion thereof.

(g) Amounts necessary to pay each Base Rental payment shall be deposited by the Board on the dates set forth in Section 6(b) hereof in lawful money of the United States of America at the office of the Trustee or at such other place or places as may be established by the Corporation and/or Trustee in accordance with the Indenture. Any amount necessary to pay any Base Rental payment or portion thereof which is not so deposited shall remain due and payable until received by the Trustee. Notwithstanding any dispute between the Board and the Corporation hereunder, the Board shall make all Rental payments

when due and shall not withhold payment of any Rental pending the final resolution of such dispute or for any other reason whatsoever.

(h) This Facilities Lease is intended to be a triple net lease. The Board agrees that the Rental provided for herein shall be an absolute net return to the Corporation free and clear of any expenses, charges, taxes, abatements, counterclaims, reductions or set-offs whatsoever of any kind, character or nature; it being understood and agreed to by the Board that the Board shall bear responsibility for the payment of all costs and expenses associated with the ownership, management, operation, and maintenance of the Facilities. Under no circumstances will the Corporation be required to make any payment on the Board's behalf or for the Board's benefit under this Facilities Lease, or assume any monetary obligation of the Board under this Facilities Lease, or with respect to the Facilities.

(i) The State, through the Division of Administration, is not, at any time whatsoever, obligated, committed or required to provide funds by legislative appropriation or any other means to pay debt service on the Series 2007 Bonds or to support the continued operation and maintenance of the Series 2007 Facilities and Stadium Expansion, it being understood that the portion of the lease payments payable by the Board under this Facilities Lease for payment of debt service on the Series 2007 Bonds are payable solely from Student Fees and Auxiliary Revenues and the Board is not legally committed, obligated or required to make available any other funds to make the lease payments hereunder.

(j) In addition to the Rental payments required hereby, the Board covenants and agrees to make an Extraordinary Rental payment to refund a portion of the Series 2004 Bonds, from funds on hand or collected by the Board, not to exceed \$9,000,000.

Section 7. Operation, Alterations, Maintenance, Repair, Replacement and Security Service.

(a) The University, at the direction of the Board, shall be responsible for ensuring that all services necessary or required in order to adequately operate the Facilities in accordance with the Permitted Use are provided and maintained. The University shall continuously operate or cause to be operated the Facilities from the Commencement Date and continuing for the remainder of the Term for the Permitted Use, and in accordance with all Governmental Regulations. Pursuant to the Management Agreement, the Corporation as approved by the Board, will initially contract with the Management Company to provide operations and management services for the Facilities. The University and the Board consent to the Corporation's initial acquisition of operations and management services from the Management Company. All Rents collected by the Management Company under the Management Agreement shall be deposited in an operating account and transferred daily to the Trustee in accordance with the Indenture.

(b) The University, at the direction of the Board, shall be responsible for maintaining the Facilities and shall make or contract or cause to be made or contracted with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Facilities, including without limitation the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, and foundations, fixtures, equipment, and appurtenances to the Facilities as and when needed to preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are at the fault of the Board, the Corporation or some Other Party. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class presently located in the Facilities.

(c) The University, at the direction of the Board, shall have the right during the Term to cause the Corporation or some other Party to make or construct any additions or improvements to the Facilities, alter the Facilities, attach fixtures, structures, or signs to or on the Facilities, and affix personal property to the Facilities without the Corporation's prior written consent to the extent allowed under the terms of any insurance covering the Facilities. All such alterations, improvements, additions, attachments, repairs, restorations, and replacements of all or any portion of the Facilities shall (i) be at the sole cost and expense of the University; (ii) not reduce the then fair market value of the Facilities; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations.

(d) The University, at the direction of the Board, shall provide or cause to be provided all security service, custodial service, janitorial service, trash disposal, and all other services necessary for the proper upkeep and maintenance of the Facilities as required herein. The Board acknowledges that the Corporation has made no representation or warranty with respect to systems and/or procedures for the security of the Facilities, any persons occupying, using or entering the Facilities, or any equipment, furnishings, or contents of the Facilities. It is the sole responsibility of the Board, through the University to cause to be provided or to provide for the security of persons on or entering the Facilities and/or property located at the Facilities, in accordance with reasonable and prudent business practices.

Section 8. Utilities. All utilities which are used or consumed in or upon or in connection with the Facilities during the Term, including, without limitation water, gas, electricity, sewerage, garbage, or trash removal, light, cable, heat, telephone, power, computer data and other utilities necessary for the operation of the Facilities (the "*Utility Service*") shall be the responsibility of the Board and/or the students, faculty, staff or Permitted Sublessees residing in the Facilities. Payments for Utility Services provided to the entire Facilities or to the common areas of the Facilities under such contract or contracts therefor as the Board may make shall be made by the Board directly to the respective utility companies furnishing such Utility Services.

The Corporation shall have no responsibility to the Board for the quality or availability of Utility Service to the Facilities, or for the cost to procure Utility Service. The Corporation shall not be in Default under this Facilities Lease or be liable to the Board or any other Person for direct or consequential damage, or otherwise, for any failure in supply of any Utility Service, heat, air conditioning, elevator service, cleaning service, lighting, security, or for surges or interruptions of electricity.

Section 9. Insurance.

(a) The University, at the direction of the Board, shall cause to be secured and maintained at the University's cost and expense:

(i) A policy or policies of insurance covering the Facilities against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance shall be not less than the full replacement cost of the Facilities, without deduction for depreciation. In the event that the Facilities are not repaired or replaced, insurance proceeds shall be no greater than the actual cash value (replacement cost less depreciation) of the Facilities at the time of the loss. The policy shall be adjusted to comply with any applicable co-insurance provisions of such insurance policy. Full payment of insurance proceeds shall not be contingent on the degree of damage sustained at other facilities leased by the Board. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(ii) A policy of comprehensive public liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$2,000,000 in combined single limit liability coverage. Such comprehensive public liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(iii) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(iv) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the Corporation in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(v) A policy of rental interruption insurance in the amount of at least one (1) year's rental in the event of loss of or damage to the Facilities.

(b) The Corporation shall:

(i) cause to be secured and maintained a policy of title insurance insuring the Corporation's leasehold interest under the Ground Lease in an amount equal to the par amount of the Bonds; and

(ii) cause all of the construction professionals to secure and maintain:

(A) Comprehensive or Commercial General Liability insurance;

(B) Errors and Omissions insurance;

(C) Automobile Liability insurance;

(D) Worker's Compensation insurance;

(E) an all Risk Builder's Policy upon the construction on the Property; and

(F) boiler and machinery or additional property insurance;

all as required by the terms of any construction contracts entered into with regards to the demolition of certain existing facilities and the renovation, development and construction of the Facilities.

All insurance required in this Section and all renewals of such insurance (excepting self-insurance or commercial insurance, through ORM) shall be issued by commercial insurers authorized to transact business in the State, and rated at least A- by Best's Insurance Reports (property/liability) or in the two highest rating categories of S&P and Moody's. All insurance policies provided or caused to be provided by the Corporation shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to the University and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the Corporation or other provider of the insurance that would otherwise

result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

All policies of liability insurance that the University is obligated to maintain according to this Facilities Lease (other than any policy of worker's compensation insurance) will name the Corporation, the Trustee and such other Persons or firms as the University may be required to name from time to time as additional insureds and shall expressly provide that the policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Corporation and the Trustee; and shall, to the extent obtainable, provide that no act or omission of the University or other provider of the insurance that would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. All public liability, property damage liability, and casualty policies maintained by the University shall be written as primary policies.

Proceeds of insurance received and/or the amount of any loss that is self-insured with respect to destruction of or damage to any portion of the Facilities by fire, earthquake or other casualty or event shall be paid to the Trustee (or, in the case of ORM insurance, to the Board for delivery in full to the Trustee) for application in accordance with the provisions of Section 11 of this Facilities Lease and the Indenture.

The Corporation shall certify annually to the Bond Insurer that all insurance policies required by this Section 9 are as of the date of such certification in place and in effect.

Section 10. Condemnation, Casualty and Other Damage. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "*Casualty*") or in consequence of any foreclosures, attachments, levies or executions; or the taking of all or any portion of the Facilities by condemnation, expropriation, or eminent domain proceedings (collectively "*Expropriation*") is expressly assumed by the Board. The Corporation and the Trustee shall in no event be answerable, accountable or liable therefor, nor shall any of the foregoing events entitle the Board to any abatement, set-offs or counter claims with respect to its Base Rental, Additional Rental or any other obligation hereunder.

Section 11. Application of Insurance Proceeds; Condemnation Award. (a) If during construction, all or any portion of the Facilities is damaged or destroyed by a Casualty, or is taken by Expropriation proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. Following the completion of construction and acceptance of the Facilities by the Board on behalf of the Corporation, the Board shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted, the repair, restoration, or replacement thereof. The proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in trust (or in the case of self-insurance through ORM, as set forth in paragraph (b) below), and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In

making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee in accordance with the terms of the Indenture.

In the event the proceeds of any insurance, and any additional funds deposited with the Trustee, are insufficient to fully repair, restore or replace the Facilities, the proceeds shall be paid to the Board for immediate delivery to Trustee and used to redeem the Outstanding Bonds.

Notwithstanding the foregoing, the Corporation's obligation to replace the Facilities in the event of Expropriation Proceedings is dependent on the Board entering into a lease with a different portion of the Campus as provided in Section 13.03 of the Ground Lease. In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities, the Corporation and the Board agree to amend or enter into a new Facilities Lease and Ground Lease in accordance with Sections 13.03 of the Ground Lease. In the event the Board, pursuant to the Ground Lease, decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Board for immediate delivery to the Trustee and applied to the prepayment of the Bonds in accordance with the terms of the Indenture, and this Facilities Lease and the Ground Lease shall terminate on the date that the events described in Section 2 (a) or 2 (b) hereof have occurred.

(b) In the event that ORM insures the Facilities, the Board shall use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 12. Encumbrances.

(a) *Payment by the Board.* The Board shall pay or cause to be paid all costs and charges for alterations, improvements, additions, repairs and maintenance ("*Work*") (i) done by the Board or caused to be done by the Board in or to the Facilities, and (ii) for all materials furnished for or in connection with such Work. The Corporation reserves all rights to collect for any loss or damage sustained or incurred by the Corporation resulting from any and all Encumbrances, demands or liabilities arising on account of the Work, which shall be payable by the Board as Additional Rent hereunder.

(b) *Failure to Discharge.* If the Board fails to pay any charge for which an Encumbrance has been filed, and the Facilities or any portion thereof is placed in imminent danger of being seized, the Corporation may, but shall not be obligated to, pay such charge and related costs and interest, and the amount so paid, together with reasonable Legal Expenses incurred in connection with such Encumbrance, will be immediately due from the Board to the Corporation as Additional Rental. Nothing contained in this Facilities Lease will be deemed the consent or agreement of the Corporation to subject the Corporation's interest in the Facilities to liability under any Encumbrance, or any mechanics', materialman's or other lien law. If the Board receives written notice that an Encumbrance has been or is about to be filed against the Facilities, or that any action affecting title to the Facilities has been commenced on account of Work done by or for the Board or for materials furnished to or for the Board, it shall immediately give the Corporation Notice of such notice.

(c) *Notice of Work.* At least fifteen (15) days prior to the commencement of any Work in or to the Facilities, by or for the University, the University shall give the Corporation Notice of the proposed Work and the names and addresses of the Persons supplying labor and materials for the proposed Work. The Corporation will have the right to post notices of nonresponsibility or similar written notices on the Facilities in order to protect the Facilities against any such claimants.

Section 13. Assignment and Sublease. (a) Neither this Facilities Lease nor any interest of the Board in the Facilities shall be mortgaged, pledged, assigned or transferred by the Board by voluntary act or by operation of law, or otherwise; provided, however, the Board may sublease all or any portion of the Facilities, or grant concessions involving the use of all or any portion of the Facilities, whether such concessions purport to convey a leasehold interest or a license to use all or a portion of the Facilities to any University student, faculty, staff or Permitted Sublessee. No such concession, leasehold interest or license to use the Facilities shall be granted to any University students, faculty or staff for a term of more than one (1) year, or to any Permitted Sublessee for a term of more than one (1) month. The Board shall, however, at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Facilities Lease (including, without limitation, the payment of Base Rental and Additional Rental), notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the Board from its obligations to pay Base Rental and Additional Rental as provided in this Facilities Lease or to relieve the Board from any other obligations contained herein. Other than subleases to University students, faculty, staff and Permitted Sublessees, in no event will the Board sublease or permit the use of all or any part of the Facilities to any person without an opinion of Bond Counsel that such will not cause interest on the Bonds to be included in the gross income of the owners of the Series 2004A Bonds and the Series 2004B Bonds for federal income tax purposes.

(b) The Corporation shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Facilities Lease, including without limitation its right to receive Base Rental payable hereunder, to the Issuer pursuant to the Agreement, and the Issuer will in turn assign its rights under this Facilities Lease to the Trustee pursuant to the Indenture. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith. Anything required or permitted to be done by the Corporation under this Facilities Lease may be done by the Trustee under the Indenture.

(c) Except as set forth in Section 13(b) hereof, the Corporation shall not sell or assign its interest in the Facility or this Facilities Lease without the prior written consent of the Board.

Section 14. Additions and Improvements Removal. At the expiration of the Term, or termination of this Facilities Lease, all alterations, fixtures, improvements and additions made by the Board or the University and all equipment placed upon the Facilities that are incorporated into or made into component parts of the Facilities, as well as, title to all property, furniture, equipment, fixtures, and other property installed at or placed upon the Facilities by the Board which is not incorporated into or made a component part of the Facilities remain the property of the Board.

The Board hereby agrees to replace such property from time to time as such property becomes worn out, obsolete, inadequate, unsuitable or undesirable. The Board may add to or remove such property from time to time, and upon expiration of the Term, provided that the Board repairs any damage to the Facilities caused by such removal.

Section 15. Right of Entry. Representatives of the Corporation and the Bond Insurer shall, subject to reasonable security precautions, and upon giving the Board not less than twenty-four (24) hours

advance Notice, have the right to enter upon the Facilities during reasonable business hours (and in emergencies without notice and at all times) accompanied by a Board Representative (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Corporation under this Facilities Lease, or (iii) for all other lawful purposes. Any right of access to any portion of the Facilities leased to the students, faculty, staff or Permitted Sublessees shall be subject to their rights pursuant to their rental agreements and University policy.

Section 16. Mortgage Prohibition. Except as set forth in the Indenture, the Ground Lease and the Agreement, the Corporation shall not be entitled to mortgage or grant a security interest in the Facilities.

Section 17. Sale of Facilities; Attornment; and Conveyance and Transfer of the Corporation's Interest. If a person other than the Corporation shall succeed to the rights of the Corporation hereunder (in any case with the prior written consent of the Board as required hereby), upon the declaration of the successor to the Corporation's interest in this Facilities Lease, the Board agrees to fully attorn to and recognize any such successor as the Board's landlord under this Facilities Lease upon the then existing terms of this Facilities Lease, provided that such successor shall agree in writing to accept the Board's attornment and not to disturb the Board's possession so long as the Board shall observe the provisions and all covenants of this Facilities Lease. This attornment provision shall inure to the benefit of any such successor and shall be self-operative upon the election and declaration by such successor, and no further instrument shall be required to give effect to the provisions. However, the Board agrees to evidence and confirm the foregoing attornment provisions by the execution and delivery of instruments in recordable form satisfactory to such successor.

If the Facilities, or any part thereof, shall be sold or otherwise transferred by sale, assignment, transfer or other contract, or by operation of law or otherwise (with the prior written consent of the Board as required hereby and with an opinion of Bond Counsel that such action will not cause interest on the Bonds to be included in the gross income of the owner of the Bonds for federal tax purposes), and if such written consent specifically so provides, the Corporation shall be automatically and entirely released and discharged to the extent of the interest in or the portion of the Facilities sold, assigned or transferred from and after the effective date of such sale, assignment or transfer of all liability for the performance of any of the covenants of this Facilities Lease on the part of the Corporation thereafter to be performed. The purchaser or other transferee of the Facilities shall be deemed to have agreed to perform such covenants of the Corporation from and after the date of such assignment or sale during such transferee's period of ownership of the Corporation's interest under this Facilities Lease, all without further agreement between the Corporation, its successor and the Board. The Corporation's transferee shall not be held responsible for the performance of any of the covenants of this Facilities Lease on the part of the Corporation required to be performed prior to such sale and transfer, the Board reserving its rights against the Corporation for any unperformed covenants prior to such sale or transfer.

Section 18. Quiet Enjoyment. The Corporation covenants that the Board, on paying the Rental and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Board or the University, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Facilities during the Term and may exercise all of its rights hereunder; and the Corporation agrees to warrant and forever defend the Board's right to such occupancy, use, and enjoyment and the title to the Facilities against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Facilities Lease.

Section 19. Environmental Compliance and Indemnity.

(a) *Environmental Compliance.* The Board or the University shall operate or cause to be operated the Facilities in compliance with all Environmental Requirements continuously during the Term, and for such periods of time prior to the Commencement Date and after the Expiration Date, as long as the Board is in possession of the Facilities, in whole or in part. The Board shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Facilities or the Land, except for such Hazardous Substance as is necessary or useful to the operation of the Facilities.

(b) *The Board's Liability.* If the Board fails to comply with any of the foregoing warranties, representations, and covenants, and removal or Remediation of any Hazardous Substance found on the Facilities is required by Environmental Requirements or Governmental Authority, the Board shall promptly undertake the removal or Remediation of such Hazardous Substance, at the Board's sole cost and expense. In the event the Board fails or refuses to undertake such removal or Remedial actions, the Corporation may cause the removal or Remediation (or other cleanup reasonable acceptable to the Corporation) of any such Hazardous Substance from the Land or the Facilities. The reasonable costs of removal, Remediation, or any other cleanup (including transportation and storage costs) will be considered as Additional Rental under this Facilities Lease, whether or not a court has ordered the cleanup, and those costs will become due and payable within ninety (90) days of written demand by the Corporation. In connection therewith, the Board will give the Corporation, its agents, and employees access to the Facilities to remove, remediate, or otherwise clean up any Hazardous Substance. The Corporation, however, has no affirmative obligation to remove, remediate, or otherwise clean up any Hazardous Substance, and this Facilities Lease will not be construed as creating any such obligation. The Board hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of any Hazardous Substance located in or about the Facilities by the Board.

Section 20. The Corporation's Reservation of Rights.

(a) The Corporation hereby reserves all of its rights to recover from the Board for any and all Claims asserted against the Corporation, including Litigation Expenses arising out of or by reason of:

(i) any injury to or death of any person or damage to property occurring on or about the Facilities occasioned by or growing out of or arising or resulting from any tortious or negligent act on the part of the Board in connection with the operation and management of the Facilities; or

(ii) any failure, breach, or default on the part of the Board in the performance of or compliance with any of the obligations of the Board under the terms of this Facilities Lease.

(b) Notwithstanding the fact that it is the intention of the parties that the Corporation shall not incur any pecuniary liability by reason of the terms of this Facilities Lease or the undertakings required of the Corporation hereunder, nevertheless, if the Corporation should incur any such pecuniary liability, then in that event, the Corporation shall be entitled to assert all rights and remedies granted in law or in equity to recover from the Board the amount of any pecuniary liability incurred by the Corporation, plus all Litigation Expenses incurred in defense of such liability to the extent subject to indemnification pursuant to Subsection (a) above.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Corporation contained in this Facilities Lease or any Claim based thereon against the Corporation or of any successor thereto or member thereof, either directly or through the Corporation whether by virtue of any constitutional provision, statute, or rule of law. This Facilities Lease and the obligations of the Corporation hereunder, and any Claim asserted against the Corporation are solely corporate obligations, and the enforcement of any obligation or Claim shall be limited solely to the Corporation's interest in the Facilities. No personal liability shall attach to, or be incurred by, any officer, director,

agent, employee or member of the Corporation and the Board acknowledges that all personal liability of any character against every such officer, director, agent, employee or member by the execution of this Facilities Lease, is expressly waived and released. The immunity of any officer, director, agent, employee or member of the Corporation under the provisions contained in this Section 20 shall survive any acquisition of the Facilities by the Board and the expiration or other termination of this Facilities Lease.

Section 21. Default by the Board. If (i) the Board shall fail to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to Section 6 hereof by the close of business on the day such deposit is required pursuant to Section 6 hereof, and shall fail to remedy such breach within five (5) days thereof, but in no event later than the date on which such payment is required to enable the Corporation to make payment on the Bonds (without use of moneys held in the Debt Service Reserve Fund), or (ii) the Board shall fail to pay or discharge any monetary obligation under this Lease (other than the payment of Base Rental) as and when due, or within thirty (30) days after receipt of Notice from the Corporation that such sums are due and owing; or (iii) the Board shall breach any non-monetary terms, covenants or conditions herein, and shall fail to remedy any such breach with all reasonable dispatch within a reasonable period of time (or such longer period as the Trustee may approve) after written notice thereof from the Corporation to the Board, then and in any such event the Board shall be deemed to be in default hereunder, and the Corporation shall have the right, at its option, without any further demand or notice to terminate this Facilities Lease on the earliest date permitted by law or on any later date specified in any Notice given to the Board, in which case the Board's right to possession of the Facilities will cease and this Facilities Lease will be terminated, without, however, waiving the Corporation's right to collect all Rental and other payments due or owing for the period up to the time the Corporation regains possession (which have been approved for payment under this Facilities Lease, but not paid by the Board), and to enforce other obligations of the Board which survive termination of this Facilities Lease, and in such event the Corporation may without any further demand or notice re-enter the Facilities and eject all parties in possession thereof, subject to the rights of students, faculty, staff and Permitted Sublessees. The foregoing remedies of the Corporation are in addition to and not exclusive of any other remedy of the Corporation. Any such re-entry shall be allowed by the Board without hindrance, and the Corporation shall not be liable in damages for any such re-entry or be guilty of trespass. The Corporation understands and agrees that upon its termination of the Board's right to possession of the Facilities or termination of this Facilities Lease, the Corporation upon its re-entry of the Facilities shall only be allowed to use the Facilities for the Permitted Use and shall be subject to all applicable Governmental Regulations heretofore or hereafter enacted by any Governmental Authority relating to the use and operation of the Facilities.

Notwithstanding any other provision of this Facilities Lease, (i) in no event shall the Corporation have the right to accelerate the payment of any Base Rental payment hereunder and (ii) the Bond Insurer shall have ninety (90) days to cure an Event of Default hereunder.

Notwithstanding anything contained in this Section 21 to the contrary, a failure by the Board to pay when due any payment required to be made under this Facilities Lease or a failure by the Board to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Facilities Lease, resulting from a failure by the Board to appropriate moneys shall not constitute an Event of Default under this Section 21 and the Corporation shall not have any of the remedial rights set forth in this Section 21. Notwithstanding the foregoing, in such event the Board acknowledges that the Facilities Lease shall terminate and the Board shall immediately vacate the Facilities, and deliver the Facilities to the Corporation.

Section 22. Cumulative Remedies. Each right and remedy provided for in this Facilities Lease is cumulative and is in addition to every other right or remedy provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise, and the

exercise or beginning of the exercise by the Corporation of any one or more of the rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise will not preclude the simultaneous or later exercise by the Corporation of any or all other rights or remedies provided for in this Facilities Lease or now or after the Commencement Date existing at law or in equity or by statute or otherwise. All costs incurred by the Corporation in collecting any amounts and damages owing by the Board pursuant to the provisions of this Facilities Lease or to enforce any provision of this Facilities Lease, including reasonable Litigation Expenses from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by the Corporation, will also be recoverable by the Corporation from the Board. The waiver by the Corporation of any breach by the Board and the waiver by the Board of any breach by the Corporation of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 23. Option to Purchase. For and in consideration of the obligations of the Board under the Facilities Lease, the mutual undertakings of the parties, the receipt and adequacy of which is hereby acknowledged, the Corporation grants to the Board an exclusive and irrevocable option to purchase for the price and on the terms, provisions, stipulations and conditions hereinafter set forth, all but not less than all of the Corporation's leasehold interest in the Facilities.

(a) *Effective Date.* The effective date of this Option agreement shall be the Commencement Date.

(b) *Term of Option.* The Option shall expire at midnight Central Standard Time, on the Expiration Date, or upon the termination of this Facilities Lease, whichever occurs first.

(c) *Limitation on Exercise of Option.* The Board may not exercise the Option, and the Option shall be voidable, at the sole election of the Corporation, if a Default by the Board has occurred and is continuing under the Facilities Lease, and the applicable time period in which the Board may cure such default has expired. Notwithstanding any provision of this Option to the contrary, the Board shall be entitled to exercise the Option as long as the Board is legally obligated to make payments of Base Rental under the Facilities Lease.

(d) *Exercise of Option.* The Board may exercise the Option herein granted at any time on or before expiration of the Term, on any Interest Payment Date on or after August 1, 2014 or on the date the Bonds are defeased pursuant to Article XII of the Indenture, by Notice to the Corporation of its election to exercise the Option and purchase the Corporation's interest in and to the Facilities given not less than sixty (60) days prior to the date on which the Board desires to purchase the Facilities.

(e) *Purchase Price.* The Purchase Price shall be equal to the principal of all Bonds then Outstanding plus the interest to accrue on such Bonds until the purchase date plus any prepayment penalties, charges or costs for early prepayment or defeasance of the Bonds and any Administrative Expenses owed prior to the purchase date which payments are necessary to discharge the Indenture pursuant to Article XII thereof (collectively, the "Purchase Price").

(f) *Effect on Facilities Lease and Ground Lease.* Upon the purchase of the Corporation's leasehold interest in the Facilities by the Board pursuant to this Option, the Facilities Lease and the Ground Lease shall terminate and all of the Corporation's leasehold interest in the Land and the Facilities shall terminate.

(g) *Payment of Purchase Price.* The Board, on the purchase date, shall deposit an amount equal to the Purchase Price with the Trustee.

(i) **Conveyance.** In the event of and upon the payment of the Purchase Price and any other sums due under this Facilities Lease by the Board, the Corporation will on the purchase date execute and deliver to the Board a written cancellation of the Ground Lease and this Facilities Lease.

(ii) **Assignment of Contract Rights and Obligations.** The conveyance of the Corporation's leasehold interest in the Facilities shall also effect a transfer and assignment of all rights, warranties and liabilities of the Corporation under then existing contracts of any nature with respect to the Facilities.

(h) **Closing.** In the event the Option is timely exercised, notice of the Board's election to the Corporation shall constitute an irrevocable conversion of the Option into a binding obligation of the Corporation to sell its leasehold interest in the Facilities and the Board to buy the same under the terms and conditions set forth in this Section 23, and in such event, the Corporation and the Board shall have the right to demand specific performance of this agreement by the other. The closing shall occur at the offices of the Board or its counsel, or at such other time, place, and date as agreed upon by the Corporation and the Board.

(i) **Closing Costs.** The Board shall pay all closing costs and charges incident to the conveyance of the Corporation's interest in the Land and the Facilities.

(j) **No Warranty.** The Corporation shall convey its leasehold interest in the Facilities without any warranty whatsoever of any nature. The conveyance of the leasehold interest in the Facilities shall be without any warranty as to fitness and condition, as set forth in Section 5 of this Facilities Lease. Language substantially similar to the language contained in Section 5 of this Facilities Lease shall be incorporated into and made a part of such conveyance. In no event shall the Corporation be responsible for any defects in title.

(k) **Default under the Option:**

(i) In the event the Option is exercised, and the Corporation fails to consummate the transactions contemplated herein for any reason, except default by the Board or the failure of the Board to satisfy any of the conditions set forth herein, the Board may, in addition to any other rights and remedies which may otherwise be available to the Board, enforce this agreement by specific performance. The Board's remedies under this Section are expressly subject to the provisions of Section 30 of this Facilities Lease.

(ii) In the event the Option is exercised; and the Board fails to consummate the transactions contemplated herein for any reason, except default by the Corporation or the failure of the Corporation to satisfy any of the conditions set forth herein, the Corporation (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the Board's delay; or (b) may bring suit for damages for breach of this agreement.

(iii) No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Section 23 shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any condition or any subsequent breach of the same or any other term, covenant or condition contained in this Section 23 shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

(l) *Attorney's Fees.* Should either party employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this agreement, or to recover damages for the breach of this agreement, the party prevailing in any final judgment shall have the right to collect from the losing party all Litigation Expenses incurred in enforcing such rights.

(m) *Notices.* Any notices required or permitted under this Section 23 shall be in writing and delivered either in person to the other party, or the other party's authorized agent, or by United States Certified Mail, return receipt requested, postage prepaid, to the address set forth in Section 50 of this Facilities Lease, or to such other address as either party may designate in writing and delivered as herein provided.

(n) *Assignability.* Except as set forth in the Indenture, the Mortgage or the Ground Lease, the Option may not be assigned by the Corporation or its interest in the Facilities sold (subject to the Option or otherwise) to any person or entity without the Board's prior written consent, which consent may be withheld by the Board in its sole discretion.

(o) *Time of Essence:* Time is of the essence of this Option.

(p) *Binding Effect:* This Option shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors and assigns.

Section 24. Severability. If any provisions of this Facilities Lease shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable, to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Facilities Lease shall not affect the remaining portions of this Facilities Lease, or any part thereof.

Section 25. Redemption of Bonds. The Corporation agrees that it will not exercise its option to redeem any Bonds pursuant to the Indenture unless the Board consents to such redemption or such redemption is to be effected with moneys derived from a source other than payments made by the Board under this Facilities Lease, however, in no event shall the mandatory redemption of any Bonds pursuant to the Indenture require the consent of the Board. The Corporation further agrees that if requested by the Board it will take all actions necessary to redeem all or any portion of the Bonds designated by the Board on the first date that it may do so under the terms of the Indenture so long as the Board agrees to provide funds in an amount, and at the time, required to effect such redemption.

Section 26. Additional Bonds. Upon the request and at the expense of the Board, the Corporation shall take action as may be required to effect the issuance of Additional Bonds in such amount as the Board may request as permitted by and in accordance with the provisions of the Indenture for any purpose permitted thereby.

Section 27. Execution. This Facilities Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which together shall constitute one and the same Facilities Lease.

Section 28. Law Governing. This Facilities Lease is made in the State under the constitution and laws of the State and is to be governed by the laws of the State.

Section 29. Nonappropriation of Funds. In the event no funds or insufficient funds are lawfully appropriated in any Fiscal Year enabling the payment of Base Rental and Additional Rental due during the next succeeding Fiscal Year, the Board will immediately notify the Corporation and the Trustee of such occurrence. On the first day of the month following the Base Rental payment date on which the last payment of Base Rental can be made in full from Lawfully Available Funds, this Facilities Lease shall terminate without penalty or expense to the Board of any kind whatsoever, except as to the portions of Base Rental and Additional Rental payments herein agreed upon for Fiscal Years for which sufficient funds have been lawfully appropriated. In the event of such termination, the Board agrees peaceably to surrender possession of the Facilities to the Corporation on the date of such termination in its original condition (normal wear and tear excepted). The Corporation will have all legal and equitable rights and remedies to take possession of the Facilities and re-let or sell the Facilities as the Corporation determines and as granted in this Facilities Lease. The Board acknowledges that the Corporation's rights to take possession and to re-let or sell the Facilities under this Section 29 may be assigned to the Trustee for the benefit of the owners of the Bonds, and the Board agrees that the Trustee shall be entitled to exercise all of the rights of the Corporation under this Section 29. The event of an inability by the Board to cause the appropriation of sufficient funds for the payment of sums due under this Facilities Lease shall not constitute a default hereunder, but shall ipso facto terminate this Facilities Lease. This provision is operative notwithstanding any provisions of this Facilities Lease to the contrary. The Board shall be considered in default hereunder if sufficient funds are lawfully appropriated for the payment of Rental required under this Facilities Lease and the Board fails to use lawfully appropriated funds for the payment of Rental. In such event, the Corporation shall be entitled to the rights and remedies set forth in Sections 21 and 22 hereof.

Section 30. Exculpatory Provision. In the exercise of the powers of the Corporation and its trustees, officers, employees and agents under this Facilities Lease and the Indenture, the Corporation shall not be accountable or liable to the Board (i) for any actions taken or omitted by it or its officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Facilities Lease against any officer, employee or agent of the Corporation in his or her personal capacity, all such liability, if any, being expressly waived by the Board by the execution of this Facilities Lease. Nothing in this Facilities Lease or the Indenture is intended to require or obligate, nor shall anything herein or therein be interpreted to require or obligate, the Corporation for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Corporation other than the funds derived from the issuance of the Bonds under the Indenture and moneys derived pursuant to the Indenture and this Facilities Lease.

The Board specifically agrees to look solely to the Corporation's interest in the Facilities for the recovery of any judgments from the Corporation. It is agreed that the Corporation will not be personally liable for any such judgments, or incur any pecuniary liability as a result of this Facilities Lease to the Board, or the breach of its obligations hereunder. The Corporation's liability under this Facilities Lease is "in rem" as to its interest in the Facilities. The provisions contained in the preceding sentences are not intended to and will not limit any right that the Board might otherwise have to obtain injunctive relief against the Corporation or relief in any suit or action in connection with enforcement or collection of amounts that may become owing or payable under or on account of insurance maintained by the Corporation.

Section 31. Amendments. This Facilities Lease may be amended only as permitted in Article VIII of the Agreement.

Section 32. Recording. The Corporation covenants and agrees that it will promptly record and from time to time re-record a memorandum in recordable form of this Facilities Lease and the

Indenture and all supplements thereto and hereto in such manner and in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Bonds.

Section 33. Construction Against Drafting Party. The Corporation and the Board acknowledge that each of them and their counsel have had an opportunity to review this Facilities Lease and that each Party was responsible for the drafting thereof.

Section 34. Time of the Essence. Time is of the essence of each and every provision of this Facilities Lease.

Section 35. No Waiver. The waiver by the Corporation of any agreement, condition, or provision contained in this Facilities Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Facilities Lease, nor will any custom or practice that may grow up between the parties in the administration of the terms of this Facilities Lease be construed to waive or to lessen the right of the Corporation to insist upon the performance by the Board in strict accordance with the terms of this Facilities Lease. The subsequent acceptance of Rental by the Corporation will not be deemed to be a waiver of any preceding breach by the Board of any agreement, condition, or provision of this Facilities Lease, other than the failure of the Board to pay the particular Rental so accepted, regardless of the Corporation's knowledge of such preceding breach at the time of acceptance of such Rental.

Section 36. Survival. To the extent permitted by law and to the extent such will not constitute the incurrence of debt by the Board, all of the Corporation's remedies and rights of recovery under Sections 19 and 20 of this Facilities Lease shall survive the Term and/or the purchase of the Facilities by the Board under the Option.

Section 37. Counterparts. This Facilities Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

Section 38. Estoppel Certificates. At any time and from time to time but within ten (10) days after prior written request by the Corporation, the Board will execute, acknowledge, and deliver to the Corporation, promptly upon request but only to the extent accurate, a certificate certifying (i) that this Facilities Lease is unmodified and in full force and effect or, if there have been modifications, that this Facilities Lease is in full force and effect, as modified, and stating the date and nature of each modification; (ii) the date, if any, to which Rental and other sums payable under this Facilities Lease have been paid; (iii) that no Notice of any default has been delivered to the Corporation which default has not been cured, except as to defaults specified in said certificate; (iv) that there is no Event of Default under this Facilities Lease or an event which, with Notice or the passage of time, or both, would result in an Event of Default under this Facilities Lease, except for defaults specified in said certificate; and (v) such other matters as may be reasonably requested by the Corporation. Any such certificate may be relied upon by any prospective purchaser or existing or prospective mortgagee of the Facilities or any part thereof. The Board's failure to notify the Corporation of any inaccuracies in the proposed certificate within the specified time period shall be conclusive evidence that the matters set forth in the certificate are accurate and correct.

Section 39. Waiver of Jury Trial. The Corporation and the Board waive trial by jury in any action, proceeding, or counterclaim brought by either of the Parties to this Facilities Lease against the other on any matters whatsoever arising out of or in any way connected with this Facilities Lease, the relationship of the Corporation and the Board, the Board's use or occupancy of the Facilities, or any other Claims, and any emergency statutory or any other statutory remedy.

Section 40. Written Amendment Required. No amendment, alteration, modification of, or addition to the Facilities Lease will be valid or binding unless expressed in writing and signed by the Corporation and the Board and consented to the extent required by Article VIII of the Agreement.

Section 41. Entire Agreement. This Facilities Lease, the exhibits and addenda, if any, contain the entire agreement between the Corporation and the Board. No promises or representations, except as contained in this Facilities Lease, have been made to the Board respecting the condition or the manner of operating the Facilities.

Section 42. Signs. The Board may attach any sign on any part of the Facilities, or in the halls, lobbies, windows, or elevator banks of the Facilities, without the Corporation approval. The Board may name the Facilities and change the name, number, or designation of the Facilities, without the Corporation's prior consent.

Section 43. Litigation Expenses. The Board will pay the Corporation as Additional Rental all reasonable Litigation Expenses and all other reasonable expenses which may be incurred by the Corporation in enforcing any of the obligations of the Board under this Facilities Lease, in exercising its rights to recover against the Board for loss or damage sustained in accordance with the provisions of this Facilities Lease, or in any litigation or negotiation in which the Corporation shall, without its fault, become involved through or because of this Facilities Lease.

Section 44. Brokers. The Corporation and the Board respectively represent and warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Facilities.

Section 45. No Easements for Air or Light. Any diminution or shutting off of light, air, or view by any structure that may be erected on any of the lands constituting the Facilities, or on lands adjacent to the Facilities, will in no way affect this Facilities Lease or impose any liability on the Corporation. This Facilities Lease does not grant any rights to light, view and/or air over the Facilities whatsoever.

Section 46. Binding Effect. The covenants, conditions, and agreements contained in this Facilities Lease will bind and inure to the benefit of the Corporation and the Board and their respective permitted successors and assigns.

Section 47. Rules of Interpretation. The following rules shall apply to the construction of this Facilities Lease unless the context requires otherwise: (a) the singular includes the plural and the plural includes the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to "writing" include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words "including" "includes" and "include" shall be deemed to be followed by words "without limitation"; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivision of sections), exhibits, appendices, annexes or schedules are to those of this Facilities Lease unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments; (h) references to Persons include their respective successors and assigns to the extent successors or assigns are permitted or not prohibited by the terms of this Facilities Lease; (i) any accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles; (j) "or" is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which

have expired shall be of no force and effect after such termination, release, or expiration; (m) references to mail shall be deemed to refer to first-class mail, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Hammond, Louisiana time; (o) references to specific persons, positions, or officers shall include those who or which succeed to or perform their respective functions, duties, or responsibilities; and (p) the terms "herein", "hereunder" "hereby" "hereof," and any similar terms refer to this Facilities Lease as a whole and not to any particular articles, section or subdivision hereof.

Section 48. Relationship of Parties. The relationship of the Parties shall be one of lessor and lessee only, and shall not be considered a partnership, joint venture, license arrangement or unincorporated association. The Corporation is not controlled by the Board or under the control of any Person also in control of the Board.

Section 49. Law Between the Parties. This Facilities Lease shall constitute the law between the Parties, and if any provision of this Facilities Lease is in conflict with the provisions of "Title IX - Of Lease" of the Louisiana Civil Code, Articles 2669 through 2777, inclusive, the provisions of this Facilities Lease shall control.

Section 50. Notices. All notices, filings and other communications ("Notice") shall be in writing and shall be sufficiently given and served upon the other parties if delivered by hand directly to the persons at the addresses set forth below, or shall be sent by first class mail, postage prepaid, addressed as follows:

The Corporation:

University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: Executive Director

With copies at the same time to:

Seale & Ross
200 North Cate Street
Hammond, Louisiana 70404
Attention: T. Jay Seale

The Board:

Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance

With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

and

Southeastern Louisiana University
Auxiliary Services
SLU Box 11850
Hammond, Louisiana 70402
Attention: Director of Auxiliary Services

Trustee:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Department

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned representative has signed this Amended and Restated Agreement to Lease with Option to Purchase on behalf of the Board of Supervisors for the University of Louisiana System as of the ____ day of _____, 2013.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

By: _____

IN WITNESS WHEREOF, the undersigned representative has signed this Amended and Restated Agreement to Lease with Option to Purchase on behalf of University Facilities, Inc. on the _____ day of _____, 2013.

WITNESSES:

UNIVERSITY FACILITIES, INC.

By: _____

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

BE IT KNOWN, that on this _____ day of _____, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of Southeastern Louisiana University, and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "*Board*"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

By: _____

NOTARY PUBLIC

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this ___ day of _____, 2013, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the _____ of University Facilities, Inc. (the "*Corporation*"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

WITNESSES:

By:

NOTARY PUBLIC

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)
2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardiplank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardiplank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

SECTION 2. EXHIBIT A-1 to the Facilities Lease shall read as follows:

Phase Four

Phase Four of the housing development is comprised of:

Intermodal Parking Facility

The Intermodal Parking Facility will consist of approximately 450 vehicular parking spaces, shuttle-waiting area, bike racks, concession area, restrooms, and appropriate circulation spaces for elevators and stairs. It will contain four parking levels containing 154,000 square feet.

Stadium Improvements

Stadium Expansion is comprised of:

Football Stadium Improvements

The Strawberry Football Stadium improvements will include expansion of appropriate press and coaching facilities, suites and club seating, open viewing decks, as well as circulation and restroom spaces. It will consist of two levels containing approximately 24,000 square feet.

CERTIFICATE OF TRUSTEE

\$40,910,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2013

The undersigned, for and on behalf of The Bank of New York Mellon Trust Company, N.A. (the "Bank") hereby certifies as follows in connection with the issuance by the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") of the above captioned bonds (the "Bonds"), to wit:

1. The Bank has been designated to act as Trustee (the "Trustee") under a Trust Indenture dated as of August 1, 2004 (the "Original Indenture"), between the Issuer and the Trustee, as supplemented and amended by that certain First Supplemental Trust Indenture dated as of November 1, 2013 between the Issuer and the Trustee (the "First Supplemental Indenture", and, together with the Original Indenture, the "Indenture") pursuant to which the Bonds have been issued. The Bank is serving as Trustee as successor-in-interest to The Bank of New York Trust Company, N. A., as trustee pursuant to the Original Indenture. Terms used herein with initial letter capitalized shall have the respective meanings assigned to them in the Indenture, and, in addition thereto, the Indenture, the Tax Regulatory Agreement and Arbitrage Certificate dated even date herewith, among the Issuer, University Facilities, Inc. (the "Corporation"), the Board of Supervisors for the University of Louisiana System and the Bank and the Escrow Deposit Agreement dated as of November 1, 2013 (the "Escrow Agreement") between the Issuer and the Bank, as escrow agent, are collectively referred to as the "Trustee Documents."

2. The Bank is a national banking association with trust powers, duly organized, validly existing and in good standing under the laws of the United States of America, is duly qualified to do business and to exercise trust powers in all jurisdictions where the nature of its operations as contemplated by the Trustee Documents legally requires such qualification, and has the corporate power to take all action requested or permitted of it under the Trustee Documents.

3. The acceptance by the Bank of the duties and obligations imposed upon the Bank under the Trustee Documents have been duly authorized by all necessary corporate action on the part of the Bank and under present law does not and will not contravene the Articles of Association or Bylaws of the Trustee or conflict with or constitute a breach of or default under any law, administrative regulation, consent decree or any agreement or instrument to which the Bank is subject.

4. All approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the performance by the Bank of its duties and obligations under the Trustee Documents, have been obtained and are in full force and effect.

5. The Trustee Documents have been duly entered into and delivered by the Bank and constitute the legal, valid and binding obligations of the Bank, enforceable against the Bank in accordance with their respective terms, except as the enforceability thereof may be limited by

applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally or by general equity principles.

6. The Bank has taken all action necessary for the acceptance of and does hereby accept the offices of Trustee, Bond Registrar and Paying Agent under the Indenture and of Escrow Agent under the Escrow Agreement.

7. To the best of the knowledge of the undersigned officer, no litigation is pending or threatened which in any way contests or affects the existence or powers (including trust powers) of the Bank or the Bank's ability to fulfill its duties and obligations under the Trustee Documents.

8. All conditions, including the receipt of all documents and moneys, required by the Indenture as conditions precedent to the authentication and delivery of the Bonds have been satisfied and it has deposited the proceeds of the Bonds as required by the Indenture.

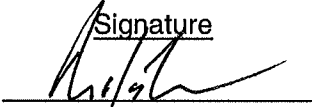
9. It has examined the Bonds and finds them to be in the form required by the Indenture.

10. It has authenticated the Bonds by manually executing on each of the Bonds a certificate in the form required therefor by the Indenture.

11. The Bonds are issued in the aggregate principal amount set forth in the caption above, the same being issued in the form of fully registered certificates without coupons, being in the denomination, bearing the numbers and bearing interest from the date thereof at the rate, and maturing on the dates and in the principal amounts as set forth in the Indenture.

12. Pursuant to the order of the Issuer dated this date to authenticate the Bonds, the Bonds have been authenticated by the Bank, as Trustee, and have been accepted by the Bank as agent for The Depository Trust Company ("DTC") as depository pursuant to the Fast Automated Securities Transfer procedures to constitute delivery to the underwriter of the Bonds.

13. The Trustee Documents were executed on behalf of the Bank by Watson T. Barger, who was at the time of the execution of said documents and is now the duly elected, qualified and acting officer of the Bank, duly authorized to execute and deliver said documents, and the signature appearing below after his name is the true and correct specimen of his genuine signature:

| <u>Name</u> | <u>Office</u> | <u>Signature</u> |
|------------------|----------------|---|
| Watson T. Barger | Vice President |  |

The person named above is an authorized officer of the Bank, and such person in accordance with the provisions of the Indenture is duly authorized and empowered to authenticate and did authenticate and deliver as of the date hereof, the Bonds.

14. In reliance upon the Certificate of Underwriter Relating to Lease Amendments of even date herewith provided by Stephens Inc., for itself and on behalf of Raymond James & Associates, Inc., as the Underwriters, and the opinion of Bond Counsel, Jones Walker LLP, both indicating that the Corporation will receive interest savings from the issuance of the Bonds and that

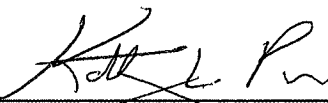
neither the Third Supplemental Ground Lease nor the Third Supplemental Facilities Lease contain any substantive provision which could be construed as having any effect on the provisions of the documents or otherwise having a materially adverse effect relative to the Refunded Bonds, and further relying upon the Consent of Bond Insurer dated even date herewith, the Trustee hereby consents to the execution and delivery of the Third Supplemental Ground Lease and the Third Supplemental Facilities Lease for purposes of Section 8.3 of the Original Loan Agreement.

15. Our counsel, Gregory A. Pletsch & Associates (A Professional Law Corporation), is authorized to rely on the matters hereinabove set forth in connection with the delivery on even date herewith of its legal opinion on behalf of the Bank.

16. Attached hereto as Exhibit A is an extract from the Bylaws of the Bank duly adopted by the Board of Directors of the Bank and including therein the signing authority resolution setting forth the authorized officers of the Bank who are authorized to execute the Trustee Documents and to execute other instruments or documents and which gives requisite authority to the person named in paragraph (13) above to execute the Trustee Documents and/or authenticate the Bonds and to otherwise act on behalf of the Bank. The copy attached hereto as Exhibit A is a true and correct copy of a portion of the Bylaws of the Bank, the original of which is on file at the principal corporate office of the Bank, and the same has not been amended or repealed and is in full force and effect.

IN WITNESS WHEREOF, the undersigned has caused this certificate to be executed by its duly authorized officer as of this 13th day of November, 2013.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.

By: 
Name: Kathy L. Pine
Title: Vice President

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

I, the undersigned, Barbara J. Parrish, Assistant Secretary of The Bank of New York Mellon Trust Company, National Association, a national banking association organized under the laws of the United States (the "Association") and located in the State of California, DO HEREBY CERTIFY that the following individuals are duly appointed and qualified Officers of the Association:

| <u>Officer</u> | <u>Title</u> | <u>Signing Authority</u> |
|--------------------------|---|--------------------------|
| <u>Houston, TX</u> | | |
| Alma Marcella Burgess | Vice President | A, C5, J, N, P2 |
| Joy Burnett | Vice President | G, H, J |
| Walter Crone, Jr. | Vice President | B1, H, J, N |
| James Henry | Vice President | A, C5, J, N, P2 |
| Jully Jiang | Vice President | A, J, N |
| C. Germaine Morgan | Vice President | G, H, J |
| Rebecca A. Newman | Vice President | A, J, N |
| James J. Prichard | Vice President | A, J, N |
| Debora Kay Van Etten | Vice President | G, H, J |
| <u>Dallas, TX</u> | | |
| Rick Adler | Vice President | B1, H, J, N |
| Michael K. Herberger | Vice President | G, H, J |
| Elizabeth Power | Vice President | B1, G, H, J, P11 |
| Jason Stephens | Vice President | A, C2, J, N, P1 |
| <u>Austin, TX</u> | | |
| Dorothy Miller | Vice President | G, H, J |
| Saul Ramirez | Vice President | G, H, J |
| Robert A. Rodriguez, Jr. | Vice President | G, H, J |
| <u>Birmingham, AL</u> | | |
| Elizabeth L. Carpenter | Vice President | B1, H, J, N |
| Tammy A. Ragan | Vice President | G, H, J |
| Stuart E. Statham | Vice President | A, J, N |
| Stephen Waldrip | Vice President | G, H, J |
| Roy Wessinger | Vice President | G, H, J |
| David E. White | Vice President & Assistant Secretary | B1, H, J, N |
| Casondra S. Williamson | Vice President | G, H, J |
| <u>Baton Rouge, LA</u> | | |
| David M. Lonibos | Managing Director & Assistant Secretary | B1, H, J, N |
| Watson T. Barger | Vice President | A, J, N |
| Kathy Pine | Vice President | A, C2, J, N, P1 |

New Orleans, LA

Denis L. Milliner
Byron P. Poydras

Vice President & Assistant Secretary
Vice President

G, H, J
B1, H, J, N

Tulsa, OK

Shawn Bednasek
David Kooker

Vice President
Vice President

G, H, J
G, H, J

St. Louis, MO

Daniel Dwyer

Vice President

B1, H, J, N

I further certify that as of this date they have been authorized to sign on behalf of the Association in discharging or performing their duties in accordance with the limited signing powers provided under Article V, Section 5.3 of the By-Laws of the Association and the paragraphs indicated above of the signing authority resolution of the Board of Directors of the Association.

Attached hereto are true and correct copies of excerpts of the By-Laws of the Association and the signing authority resolution, which have not been amended or revised since October 15, 2009 and are in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of The Bank of New York Mellon Trust Company, National Association this 8th day of February 2013.


Barbara J. Parrish, Assistant Secretary

Extracts from By-Laws
of
The Bank of New York Mellon Trust Company, National Association
As Amended through October 15, 2009

ARTICLE V
SIGNING AUTHORITIES

Section 5.1 Real Property. Real property owned by the Association in its own right shall not be deeded, conveyed, mortgaged, assigned or transferred except when duly authorized by a resolution of the Board. The Board may from time-to-time authorize officers to deed, convey, mortgage, assign or transfer real property owned by the Association in its own right with such maximum values as the Board may fix in its authorizing resolution.

Section 5.2. Senior Signing Powers. Subject to the exception provided in Section 5.1, the President and any Executive Vice President is authorized to accept, endorse, execute or sign any document, instrument or paper in the name of, or on behalf of, the Association in all transactions arising out of, or in connection with, the normal course of the Association's business or in any fiduciary, representative or agency capacity and, when required, to affix the seal of the Association thereto. In such instances as in the judgment of the President, or any Executive Vice President may be proper and desirable, any one of said officers may authorize in writing from time-to-time any other officer to have the powers set forth in this section applicable only to the performance or discharge of the duties of such officer within his or her particular division or function. Any officer of the Association authorized in or pursuant to Section 5.3 to have any of the powers set forth therein, other than the officer signing pursuant to this Section 5.2, is authorized to attest to the seal of the Association on any documents requiring such seal.

Section 5.3. Limited Signing Powers. Subject to the exception provided in Section 5.1, in such instances as in the judgment of the President or any Executive Vice President, may be proper and desirable, any one of said officers may authorize in writing from time-to-time any other officer, employee or individual to have the limited signing powers or limited power to affix the seal of the Association to specified classes of documents set forth in a resolution of the Board applicable only to the performance or discharge of the duties of such officer, employee or individual within his or her division or function.

Section 5.4. Powers of Attorney. All powers of attorney on behalf of the Association shall be executed by any officer of the Association jointly with the President, any Executive Vice President, or any Managing Director, provided that the execution by such Managing Director of said Power of Attorney shall be applicable only to the performance or discharge of the duties of said officer within his or her particular division or function. Any such power of attorney may, however, be executed by any officer or officers or person or persons who may be specifically authorized to execute the same by the Board of Directors.

Section 5.5. Auditor. The Auditor or any officer designated by the Auditor is authorized to certify in the name of, or on behalf of the Association, in its own right or in a fiduciary or representative capacity, as to the accuracy and completeness of any account, schedule of assets, or other document, instrument or paper requiring such certification.

SIGNING AUTHORITY RESOLUTION

Pursuant to Article V, Section 5.3 of the By-Laws
Adopted October 15, 2009

RESOLVED that, pursuant to Section 5.3 of the By-Laws of the Association, authority be, and hereby is, granted to the President or any Executive Vice President, in such instances as in the judgment of any one of said officers may be proper and desirable, to authorize in writing from time-to-time any other officer, employee or individual to have the limited signing authority set forth in any one or more of the following paragraphs applicable only to the performance or discharge of the duties of such officer, employee or individual within his or her division or function:

(A) All signing authority set forth in paragraphs (B) through (I) below except Level C which must be specifically designated.

(B1) Individuals authorized to accept, endorse, execute or sign any bill receivable; certification; contract, document or other instrument evidencing, embodying a commitment with respect to, or reflecting the terms or conditions of, a loan or an extension of credit by the Association; note; and document, instrument or paper of any type, including stock and bond powers, required for purchasing, selling, transferring, exchanging or otherwise disposing of or dealing in foreign currency, derivatives or any form of securities, including options and futures thereon; in each case in transactions arising out of, or in connection with, the normal course of the Association's business.

(B2) Individuals authorized to endorse, execute or sign any certification; disclosure notice required by law; document, instrument or paper of any type required for judicial, regulatory or administrative proceedings or filings; and legal opinions.

(C1) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in excess of \$500,000,000 with single authorization for all transactions.

(C2) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in excess of \$500,000,000*.

(C3) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$500,000,000.

(C4) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount in excess of \$100,000,000 but not to exceed \$500,000,000*.

(C5) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$100,000,000.

(C6) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$10,000,000.

(C7) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$5,000,000.

(C8) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$1,000,000.

(C9) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$250,000.

(C10) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$50,000.

(C11) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$5,000.

*Dual authorization is required by any combination of senior officer and/or Sector Head approved designee for non-exempt transactions. Single authorization required for exempt transactions.

(D1) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$1,000,000.

(D2) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$250,000.

(D3) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$50,000.

(D4) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$5,000.

(E) Authority to accept, endorse, execute or sign any guarantee of signature to assignments of stocks, bonds or other instruments; certification required for transfers and deliveries of stocks, bonds or other instruments; and document, instrument or paper of any type required in connection with any Individual Retirement Account or Keogh Plan or similar plan.

(F) Authority to accept, endorse, execute or sign any certificate of authentication as bond, unit investment trust or debenture trustee and on behalf of the Association as registrar and transfer agent.

(G) Authority to accept, endorse, execute or sign any bankers acceptance; letter of credit; and bill of lading.

(H) Authority to accept, endorse, execute or sign any document, instrument or paper of any type required in connection with the ownership, management or transfer of real or personal property held by the Association in trust or in connection with any transaction with respect to which the Association is acting in any fiduciary, representative or agency capacity, including the acceptance of such fiduciary, representative or agency account.

(I1) Authority to effect the external movement of free delivery of securities and internal transfers resulting in changes of beneficial ownership.

(I2) Authority to effect the movement of securities versus payment at market or contract value.

(J) Authority to either sign on behalf of the Association or to affix the seal of the Association to any of the following classes of documents: Trust Indentures, Escrow Agreements, Pooling and Servicing Agreements, Collateral Agency Agreements, Custody Agreements, Trustee's Deeds, Executor's Deeds, Personal Representative's Deeds, Other Real Estate Deeds for property not owned by the Association in its own right, Corporate Resolutions, Mortgage Satisfactions, Mortgage Assignments, Trust Agreements, Loan Agreements, Trust and Estate Accountings, Probate Petitions, responsive pleadings in litigated matters and Petitions in Probate Court with respect to Accountings, Contracts for providing customers with Association products or services.

(N) Individuals authorized to accept, endorse, execute or sign internal transactions only, (i.e., general ledger tickets); does not include the authority to authorize external money movements, internal money movements or internal free deliveries that result in changes of beneficial ownership.

(P1) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in excess of \$10,000,000.

(P2) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$10,000,000.

(P3) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$5,000,000.

(P4) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$1,000,000.

(P5) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$250,000.

(P6) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$100,000.

(P7) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$50,000.

(P8) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$25,000.

(P9) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$10,000.

(P10) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$5,000.

(P11) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$3,000.

RESOLVED, that any signing authority granted pursuant to this resolution may be rescinded by the President or any Executive Vice President and such signing authority shall terminate without the necessity of any further action when the person having such authority leaves the employ of the Association.



8555 UNITED PLAZA BOULEVARD
BATON ROUGE, LOUISIANA 70809-7000
225-248-2000
FAX 225-248-2010
www.joneswalker.com

November 13, 2013

Louisiana Local Government Environmental Facilities
and Community Development Authority
Baton Rouge, Louisiana

\$40,910,000
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

We have acted as bond counsel to the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”), a political subdivision of the State of Louisiana (the “*State*”), in connection with the issuance by the Issuer of the above-captioned bonds (the “*Series 2013 Bonds*”) pursuant to Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 33:4548.16, inclusive) and Chapter 14 and Chapter 14-A of Title 39 the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456, inclusive) (collectively, the “*Act*”).

The Series 2013 Bonds have been issued by the Issuer pursuant to the Act and other constitutional and statutory authority and a Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the “*First Supplemental Indenture*” and, together with the Original Indenture, the “*Indenture*”) each between the Issuer and The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, as trustee (the “*Trustee*”). Capitalized terms used herein that are not otherwise defined have the meaning given them in the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds, are dated, bear interest until paid at the rate per annum, mature in the principal amounts and on the dates, and are subject to redemption all as set forth in the Indenture and in the Series 2013 Bonds.

The Series 2013 Bonds are issued under and are secured as to principal and interest by the Indenture, which provides a description of the nature and extent of the security for the Series 2013 Bonds, a statement of the terms and conditions under which the Series 2013 Bonds are issued and secured, the rights, duties and obligations of the Issuer, the rights, duties and immunities of the Trustee and the rights of the owners of the Series 2013 Bonds.

The Issuer previously issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*” and, together with the Series 2004A Bonds, the

JONES WALKER LLP

“Series 2004 Bonds”) on behalf of University Facilities Inc., a Louisiana non-profit corporation (the “Corporation”), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “Facilities”) for Southeastern Louisiana University (the “University”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “Board”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University (collectively, the “Project”). The Series 2013 Bonds are being issued for the purpose of (i) refunding the Series 2004A Bonds and (ii) paying costs of issuance of the Series 2013 Bonds.

The Issuer and the Corporation have entered into a Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation (the “Original Agreement”), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation (the “Supplemental Agreement” and, together with the Original Agreement, the “Agreement”), pursuant to which the Issuer will loan the proceeds from the sale of the Series 2013 Bonds to the Corporation for the foregoing purposes. Pursuant to the Agreement, the Corporation has agreed to make loan payments (the “Payments”) solely from the Base Rental (as defined in the Agreement) sufficient to pay the principal of, premium, if any, and interest on the Series 2013 Bonds. The rights of the Issuer under the Agreement (except for the rights of the Issuer relating to exculpation, indemnification and payment of expenses thereunder) have been pledged and assigned by the Issuer to the Trustee as security for the Series 2013 Bonds.

The Board is leasing the land upon which the Facilities have been constructed to the Corporation pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the “Original Ground Lease”), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the “First Amendment to Ground Lease”), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the “Second Amendment to Ground Lease”), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the “Third Supplemental Ground Lease” and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the “Ground Lease”).

The Facilities have been leased by the Corporation to the Board pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the “Original Facilities Lease”), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the “First Amendment to Facilities Lease”), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the “Second Amendment to Facilities Lease”), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the “Third Supplemental Facilities Lease” and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the “Facilities Lease”).

The Series 2013 Bonds are also entitled to the benefits of the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee (the “Mortgage”) executed by the Corporation in favor of the Trustee, pursuant to which the Corporation has mortgaged its leasehold interest in and to the Property (as defined in the Mortgage).

We have examined: (i) the constitution and statutes of the State, including the Act; (ii) a certified transcript of the proceedings of the Issuer authorizing the issuance of the Series 2013 Bonds; (iii) the Indenture, the Agreement, the Tax Regulatory Agreement and Arbitrage Certificate dated the date of delivery and payment for the Series 2013 Bonds among the Issuer, the Corporation, the Board and the

Trustee (the "*Tax Agreement*"); and (iv) such other documents, instruments, proofs and matters of law as we have deemed relevant to the issuance of the Series 2013 Bonds and necessary for the purpose of this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Board and the Corporation contained in the Indenture, the Agreement and the Tax Agreement, the certified proceedings and other certifications of public officials and others furnished to us, including certifications furnished to us by or on behalf of the Issuer, the Corporation and the Board, without undertaking to verify the same by independent investigation.

On the basis of the foregoing examinations, we are of the opinion, as of the date hereof and under existing law, that:

1. The Issuer is a validly existing political subdivision of the State and has the power and authority to enter into the Agreement and the Indenture and to issue and sell the Series 2013 Bonds.

2. The Series 2013 Bonds are valid and binding special and limited obligations of the Issuer secured by and entitled to the benefits of the Indenture and are payable solely from the revenues and other amounts pledged and assigned under the Indenture.

3. The Supplemental Agreement and the Supplemental Indenture have been duly authorized, executed and delivered by the Issuer and constitute valid and binding obligations of the Issuer, enforceable upon the Issuer in accordance with their terms, and all rights of the Issuer under the Agreement have been validly assigned to the Trustee under the Indenture, with the exception of certain rights of the Issuer relating to notice, exculpation, indemnification and payment of expenses.

4. The Series 2013 Bonds and interest thereon do not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any State constitutional or statutory provision and will not constitute a general obligation or a charge against any other revenues of the Issuer.

5. Interest on the Series 2013 Bonds (including the amount of original issue discount properly allocable to the owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings.

6. Under the Act, the Series 2013 Bonds are exempt from all taxation by the State of Louisiana or any political subdivision thereof.

In rendering the opinions expressed in paragraph 5 above, we have relied upon the opinion of even date herewith of Seale & Ross, A Professional Law Corporation, Hammond, Louisiana, counsel to the Corporation that the Corporation is an organization that is exempt from the federal income tax under Code Section 501(c)(3). We have also relied upon such opinion with respect to (i) the due organization of the Corporation, (ii) the good standing of the Corporation in the State; (iii) the corporate power of the Corporation to enter into, and the due authorization, execution and delivery by the Corporation of, the Loan Agreement, the Ground Lease and the Facilities Lease, and the valid and binding effect thereof on the Corporation, and (iv) matters which might be disclosed as a result of an examination of the indentures, mortgages, deeds of trust, certifications of incorporation, by-laws, and other agreements or instruments to which the Corporation is a party or by which it or its properties are bound.

We have relied on representations of the Issuer, the Board and the Corporation with respect to matters solely within the knowledge of the Issuer, the Board and the Corporation, which we have not independently verified, and have assumed continuing compliance with the covenants in the Indenture, the Agreement and the Tax Agreement pertaining to those sections of the Code that affect the exclusion from gross income of interest on the Series 2013 Bonds for federal income tax purposes. In the event that such representations are determined to be inaccurate or incomplete or the Issuer, the Board or the Corporation fails to comply with the foregoing covenants, interest on the Series 2013 Bonds could be includable in gross income for federal income tax purposes from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

The accrual or receipt of interest on the Series 2013 Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Series 2013 Bonds.

It is to be understood that the rights of the owners of the Series 2013 Bonds and the enforceability of the Series 2013 Bonds, the Indenture, the Agreement and the other documents enumerated above may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that their enforcement may also be subject to the exercise of the sovereign police powers of the State or its governmental bodies and the exercise of judicial discretion in appropriate cases.

For purposes of this opinion, our services as bond counsel have not extended beyond the examinations and expressions of the conclusions referred to above. This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur. Except as stated above, no opinion is expressed as to any federal or state tax consequences resulting from the ownership of, receipt of interest on, or disposition of, the Series 2013 Bonds.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jones Walker LLP". The signature is written in black ink and is positioned below the typed name "Jones Walker LLP".



8555 UNITED PLAZA BOULEVARD
BATON ROUGE, LOUISIANA 70809-7000
225-248-2000
FAX 225-248-2010
www.joneswalker.com

November 13, 2013

Louisiana Local Government
Environmental Facilities and Community
Development Authority
Baton Rouge, Louisiana

University Facilities, Inc.
Hammond, Louisiana

The Bank of New York Mellon
Trust Company, N.A., as Trustee
Baton Rouge, Louisiana

Board of Supervisors for the University of
Louisiana System
Baton Rouge, Louisiana

Stephens Inc.
Baton Rouge, Louisiana

Raymond James & Associates, Inc.
New Orleans, Louisiana

\$40,910,000

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

We have acted as Bond Counsel in connection with the issuance and delivery of the above-captioned bonds (the "*Series 2013 Bonds*"). Reference is hereby made to our approving opinion of even date herewith (the "*Approving Opinion*") addressed to the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and delivered to you concurrently herewith. You may rely upon such Approving Opinion as if the same were addressed to you. Capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), as supplemented and amended by that certain First Supplemental Trust Indenture dated as of November 1, 2013 (the "*First Supplemental Indenture*") and, together with the Original Indenture, the "*Indenture*"), each by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "*Trustee*") pursuant to which the Series 2013 Bonds are being issued.

In connection with the issuance of the Series 2013 Bonds, we have examined the following:

- a. The Bond Purchase Agreement (the "*Bond Purchase Agreement*") dated November 5, 2013, among the Issuer, University Facilities, Inc. (the "*Corporation*"), the Board of Supervisors for the {B0904476.1}

JONES WALKER LLP

fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

7. the Indenture creates a valid pledge of and lien on the Trust Estate described in the granting clauses of the Indenture; and

8. the Third Supplemental Ground Lease and the Third Supplemental Facilities Lease have been executed in connection with the issuance of the Series 2013 Bonds solely in order for the Corporation to achieve debt service savings and neither the Third Supplemental Ground Lease nor the Third Supplemental Facilities Lease contain any other substantive provision which could be construed as having any effect on the provisions of the documents relative to the Series 2004A Bonds after the issuance of the Series 2013 Bonds.

We have assumed that the Bond Purchase Agreement has been duly authorized, executed, and delivered by the Corporation, the Board and the Underwriter. In rendering the opinions expressed in paragraph 8 above, we have relied upon the Certificate of Underwriter Relating to Lease Amendments dated November 13, 2013 and the statements made therein relating to the reduction of the interest rate paid by the Corporation resulting from the issuance of the Series 2013 Bonds.

We have reviewed only those documents, opinions, certificates, and proceedings necessary to enable us to render our opinion to the Issuer of even date herewith as to the legality and validity of the Series 2013 Bonds and the tax-exempt status of the interest on the Series 2013 Bonds. This opinion speaks as of its date and we are under no obligation to provide any updates of this opinion. This opinion is given solely for the use and benefit of the addresses hereof, and only in connection with the issuance and delivery of the Series 2013 Bonds pursuant to the Bond Purchase Agreement, and may not be used or relied upon by any other person or in connection with any other transaction, except with express consent of this firm.

Respectfully submitted,





8555 UNITED PLAZA BOULEVARD
BATON ROUGE, LOUISIANA 70809-7000
225-248-2000
FAX 225-248-2010
www.joneswalker.com

November 13, 2013

Louisiana Local Government Environmental
Facilities and Community Development Authority
Baton Rouge, Louisiana

The Bank of New York Mellon
Trust Company, N.A.
Baton Rouge, Louisiana

MBIA Insurance Corporation
New York, New York

\$60,985,000
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A

We have acted as bond counsel to the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") in connection with the issuance of its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013, dated November 13, 2013 (the "*Series 2013 Bonds*"), the proceeds of which are being used to advance refund the Issuer's \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Prior Bonds*").

In connection with such advance refunding, the Issuer will deposit a portion of the proceeds of the Series 2013 Bonds into an Escrow Fund (the "*Escrow Fund*") created pursuant to an Escrow Deposit Agreement dated as of November 1, 2013 (the "*Escrow Agreement*") by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "*Escrow Agent*"), in order to defease the Prior Bonds maturing on August 1, 2014 to maturity and the remaining maturities of the Prior Bonds to redemption on August 1, 2014 (the "*Redemption Date*"). The Prior Bonds were issued for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "*Facilities*") for Southeastern Louisiana University (the "*University*") located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "*Board*") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.

We have examined the transcript of certified proceedings pertaining to the Prior Bonds, upon which we rely. We have also examined an original executed copies of the Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), as supplemented by a First Supplemental Trust Indenture

JONES WALKER LLP

dated as of November 1, 2013 (the "*Supplemental Indenture*" and, together with the Original Indenture, the "*Indenture*") each by and between the Issuer and the Escrow Agent, as trustee, and the provisions of Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, (La. R.S. 39:1441 through 1443) (the "*Defeasance Act*"), concerning, among other things, the defeasance of the Prior Bonds.

Certain moneys have been deposited with the Trustee into the Escrow Fund created pursuant to the Escrow Agreement and used for the purchase of Government Obligations as provided in the Escrow Agreement. The Government Obligations deposited into the Escrow Fund are designed to provide sufficient moneys to pay the principal of and interest on the Prior Bonds maturing on August 1, 2014 and the principal of, redemption premium and interest on the remaining maturities of the Prior Bonds on August 1, 2014, all as set forth in the Supplemental Indenture.

Based upon our examination, we are of the opinion that pursuant to the provisions of the Defeasance Act, the Prior Bonds have been defeased, are deemed to be paid and are no longer considered to be outstanding under the provisions of the Original Indenture; the covenants, pledges and obligations contained in the Original Indenture have been discharged insofar as they relate to the Prior Bonds; and the Prior Bonds are no longer entitled to any benefits under the Original Indenture.

In rendering the opinion expressed above, we have made no independent mathematical verification regarding the sufficiency of the Escrow Fund for the payment of the required principal and interest on the Prior Bonds and have relied for purposes of this opinion upon the mathematical computations of The Arbitrage Group, Inc., as to the mathematical accuracy of the computations of such sufficiency.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jones Walker LLP", is written in a cursive style.

BDDSW

Breithaupt, Dunn, DuBos, Shafto & Wolleson, L.L.C.

A FULL SERVICE LAW FIRM

Walter C. Dunn*
P. Scott Wolleson*
Wesley S. Shafto†*
Michael L. DuBos*
R. Alan Breithaupt*

† L.L.M. in Banking and Finance Law
* A Professional Law Corporation

K. Lamar Walters, III
Russell A. Woodard, Jr.

November 13, 2013

Louisiana Local Government Environmental
Facilities and Community Development Authority
Baton Rouge, Louisiana

Stephens, Inc.
Baton Rouge, Louisiana

The Bank of New York Mellon Trust Company, N.A.
Baton Rouge, Louisiana

Raymond James & Associates, Inc.
New Orleans, Louisiana

Jones Walker LLP
Baton Rouge, Louisiana

\$40,910,000

**Louisiana Local Government Environmental Facilities
And Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2013**

Ladies and Gentlemen:

We have acted as special counsel to the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer"), in connection with issuance of an aggregate amount of \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the "Bonds"). We have examined the Constitution and statutes of the State of Louisiana, including but not limited to Chapter 14-A of Title 39 and Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.16, inclusive) (collectively, the "Act"), the Issuer's By-Laws dated October 27, 1997, as amended and restated on October 10, 2002, and revised on October 14, 2004 and October 12, 2006 and such other corporate records of the Issuer as we have deemed advisable for the rendition of this opinion. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Indenture (as hereinafter defined).

We have also examined (i) the resolutions adopted by the Executive Committee of the Board of Directors of the Issuer, acting as the governing body of the Issuer, on August 8, 2013 and October 10, 2013, authorizing issuance, sale and delivery of the Bonds (collectively, the "Bond Resolution"); (ii) a fully executed counterpart of the First Supplemental Trust Indenture dated as of November 1, 2013 (the "Indenture") by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (together with its successors as trustee, the "Trustee") securing the Bonds; (iii) a fully executed counterpart of the First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 by and between the Issuer and University Facilities, Inc. (the "Borrower"); (iv) the Bond Purchase Agreement by and among the Issuer, Stephens Inc., Raymond James & Associates, Inc., the Borrower and the Board of Supervisors for the University of Louisiana System (the "Board"); (v) the Tax Regulatory Agreement and Arbitrage Certificate by and among the Issuer, the Board, the Borrower and the Trustee; (vi) a certified transcript of the proceedings and certifications of the Issuer; (vii) the Escrow Deposit Agreement dated as of November 1, 2013 between the Issuer and the Trustee, as escrow agent; and (viii) such other documents, instruments, agreements and certificates of the Issuer (collectively referred to as the "Issuer Documents"), and matters of law as we have considered necessary or appropriate for the purposes of this opinion of the Issuer.

Based upon such examination and subject to the qualifications and assumptions set forth below, we are of the opinion that:

1. The Issuer is a political subdivision of the State, duly organized and validly existing under the Constitution and laws of the State, with full power to execute and perform its obligations under the Issuer Documents.
2. Each member and officer of the governing body of the Issuer identified in the General Certificate of the Issuer delivered at closing has been duly appointed or elected pursuant to the laws of the State of Louisiana and the By-Laws of the Issuer, and is qualified to serve as such.
3. The proceedings of the Executive Committee of the Issuer, including the Bond Resolution, approving execution and delivery of the Issuer Documents by the Issuer, were duly adopted at meetings of the Executive Committee of the Issuer which were called and held pursuant to law and with public notice required by law at which a quorum was present and acting throughout, and comply in all respects with the procedural rules of the Issuer and the procedural requirements of Louisiana law and remain in full force and effect on the date hereof.

Louisiana Local Government Environmental Facilities

And Community Development Authority, et al

November 13, 2013

Page 3

4. The Issuer Documents constitute valid and legally binding obligations of the Issuer, enforceable in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws and equitable principles affecting enforcement of creditors' rights heretofore or hereafter enacted, and their enforceability may also be subject to the exercise of sovereign police powers of the State of Louisiana, or its governmental bodies, and the exercise of judicial discretion in appropriate cases.

5. All approvals, consents, authorizations and orders of any governmental agency having jurisdiction in any matter which would constitute a condition precedent to performance by the Issuer of its obligations under the Issuer Documents have been obtained and are in full force and effect; provided that no opinion is expressed herein regarding the qualification of the Bonds for an exemption under federal securities laws or qualification of the Bonds under the blue sky laws of any state.

6. To the best of our knowledge and based upon certifications of the Issuer, the execution and delivery of, and compliance with the terms and provisions of the Issuer Documents will not conflict with, violate or constitute a breach of or default under any provision of the Issuer's By-Laws, or any indenture, contract, mortgage, deed of trust, agreement or other instrument to which the Issuer is a part or by which it or its properties are bound, or any applicable law or administrative rule or regulation of the State, any statute, rule, order, judgment or decree of any court, to which the Issuer is subject, or any rules, regulations, or ordinances of any government or governmental body having jurisdiction over the Issuer or any of its properties.

7. To the best of our knowledge and based upon the certifications of the Issuer, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to the best of our knowledge, threatened in any way affecting the existence or powers of the Issuer or its governing body or the titles of its officers to their respective offices, or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, application of the proceeds thereof in accordance with the Indenture, or collection or application of revenues, securities or investments of the Issuer pledged or to be pledged to pay principal of and interest on the Bonds, or the pledge thereof or use of the proceeds of the Bonds, or in any way contesting or affecting the validity or enforceability of the Issuer Documents, or any action of the Issuer contemplated by any of said documents, the Issuer's proceedings, or contesting in any way the completeness or accuracy of the Issuer Documents or the powers of the Issuer to execute and deliver the Issuer Documents.

8. The statements contained in the Official Statement under the captions "THE AUTHORITY," and "LITIGATION – The Authority" do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

In rendering the foregoing opinions, we have assumed due authorization, execution and delivery of the Issuer Documents by parties thereto other than the Issuer. In our examination, we have also assumed the authenticity of all documents submitted to us as originals and drafts, the conformity to original documents of all documents submitted to us as certified or photostatic copies, be they drafts or originals, the authenticity of the original of such latter documents and the accuracy of statements contained in such certificates, be they drafts or final executed documents, and the proper completion, execution and delivery of documents in final form or which are incomplete, which have been presented for our review. No opinion is expressed as to the validity of the Bonds or the excludability of interest on the Bonds from federal income taxes or State of Louisiana taxes and local taxes.

Our opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof. The legal opinions expressed herein are intended for the information solely for the addressees hereof and solely for the purpose of the contemplated transactions described herein, and are not to be relied upon by any other person, or entity, or for any other purpose, or quoted as a whole or in part, or otherwise referred to, in any document, or to be filed with any government or other administrative agency, or other person or entity for any purpose without our prior written consent. This is an opinion and not a guaranty or warranty.

Sincerely,

*Briolo, Dean, Dubois,
Shafte & Williams, LLC*

T. JAY SEALE, III
KENNETH L. ROSS
RUSSELL W. RUDOLPH
PATRICK K. RESO^{1,2}
KEVIN P. LANDRENEAU⁵
GLEN R. GALBRAITH
STEVEN L. MCKNEELY, LL.M.^{1,4}
LESLI S. BOLNER
CARL S. GOODE, LL.M.^{1,2,4,6}
NICOLE ROBERTS DILLON³
JOHANNA R. LANDRENEAU
AMY LAWLER GONZALES⁵
FRANK J. DIVITTORIO
ELSBET C. SMITH
CELESTE H. SHIELDS
AMBROSE K. RAMSEY, III
GEORGIA K. THOMAS
JENNIFER A. LEE



SEALE & ROSS

A PROFESSIONAL LAW CORPORATION
HAMMOND • BATON ROUGE • MADISONVILLE

www.sealercross.com

28
REPLY TO:
POST OFFICE DRAWER 699
HAMMOND, LOUISIANA 70404

PHYSICAL ADDRESS:
200 NORTH CATE STREET
HAMMOND, LA 70401

TELEPHONE (985) 542.8500
FACSIMILE (985) 542.4111

BOARD CERTIFIED ESTATE PLANNING
AND ADMINISTRATION SPECIALIST¹
BOARD CERTIFIED TAX LAW SPECIALIST²
BOARD CERTIFIED FAMILY LAW SPECIALIST³



IN TAXATION⁴
ADMITTED IN TEXAS⁵
ADMITTED IN MISSOURI⁶

November 13, 2013

Louisiana Local Government Environmental
Facilities and Community
Development Authority
Baton Rouge, Louisiana

Board of Supervisors for the
University of Louisiana System
Baton Rouge, Louisiana

Jones Walker LLP
Baton Rouge, Louisiana

Stephens Inc.
Baton Rouge, Louisiana

University Facilities, Inc.
Hammond, Louisiana

Raymond James & Associates, Inc.
New Orleans, Louisiana

The Bank of New York Mellon
Trust Company, N.A., as Trustee
Baton Rouge, Louisiana

\$40,910,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013

Ladies and Gentlemen,

We have served as special counsel to University Facilities, Inc. (the “*Corporation*”), in connection with the authorization and issuance by the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Authority*”) of its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/ University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”) sold by the Authority to Stephens Inc. and Raymond James & Associates, Inc. (collectively, the “*Underwriters*”),

Louisiana Local Government Environmental Facilities
and Community Development Authority
Jones Walker LLP
University Facilities, Inc.
The Bank of New York Mellon Trust Company, N.A.
The Board of Supervisors for the University of Louisiana System
Stephens Inc.
Raymond James & Associates, Inc.
November 13, 2013
Page 2

pursuant to the terms and provisions of the Bond Purchase Agreement dated November 5, 2013 (the "*Bond Purchase Agreement*"), by and among the Authority, the Underwriters, the Board of Supervisors for the University of Louisiana System (the "*Board*") and the Corporation. Capitalized terms used herein that are not otherwise defined shall have the meanings assigned thereto in, and this opinion is being delivered pursuant to, the Bond Purchase Agreement.

In connection with the foregoing, we have examined the following:

A. The Loan and Assignment Agreement dated as of August 1, 2004 (the "*Original Loan Agreement*"), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 each by and between the Authority and the Corporation (the "*Supplemental Agreement*" and, together with the Original Loan Agreement, the "*Loan Agreement*");

B. The Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the "*First Supplemental Indenture*" and, together with the Original Indenture, the "*Indenture*") each between the Issuer and The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, as successor in interest to Bank of New York Trust Company, N.A., as trustee (the "*Trustee*");

C. The Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as supplemented and amended by a First Amendment to Ground and Buildings Lease Agreement dated March 1, 2007 (the "*First Amendment to Ground Lease*"), as further supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of July 12, 2012 (the "*Second Amendment to Ground Lease*"), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the "*Third Supplemental Ground Lease*" and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the "*Ground Lease*"), each by and between the Board, as Lessor, and the Corporation, as Lessee;

D. The Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*"), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the "*Second Amendment to Facilities Lease*"), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the "*Third Supplemental Facilities*

Louisiana Local Government Environmental Facilities
and Community Development Authority
Jones Walker LLP
University Facilities, Inc.
The Bank of New York Mellon Trust Company, N.A.
The Board of Supervisors for the University of Louisiana System
Stephens Inc.
Raymond James & Associates, Inc.
November 13, 2013
Page 3

Lease” and, together with the Original Facilities Lease and the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the “*Facilities Lease*”), each by and between the Corporation, as Lessor, and the Board, as Lessee;

E. The Act of Mortgage, Assignment of Leases and Security Agreement executed on August 13, 2004 (the “*Mortgage*”) granted by the Corporation in favor of the Trustee;

F. The Bond Purchase Agreement;

G. The Tax Regulatory Agreement and Arbitrage Certificate dated November 13, 2013 (the “*Tax Agreement*”) by and among the Corporation, the Authority, the Board and the Trustee;

H. The Official Statement dated November 5, 2013 (the “*Official Statement*”);

I. A certified copy of the resolutions of the Corporation dated August 6, 2013 (the “*Resolution*”);

J. A certified copy of the Articles of Incorporation, a copy of the By-Laws of the Corporation, and a certificate of good standing with respect to the Corporation issued November 6, 2013; and

K. Such corporate and other documents, records and papers and certificates of the members and officers of the Corporation as we have deemed relevant and necessary in order to render the opinions expressed herein.

The Loan Agreement, the Ground Lease, the Facilities Lease, the Mortgage, the Bond Purchase Agreement, the Resolution, and the Tax Agreement are hereafter referred to as the “*Corporation Documents*”.

In rendering this opinion, we have assumed, without independent investigation, the following:

(1) the authenticity of all documents submitted to us as originals or recorded copies of public records, the legal capacity of any individual signing any documents (other than representatives of the Corporation), the genuineness of all signatures on all documents and certificates referred to herein or relied upon by us not executed in our presence, and the conformity to originals of all documents sent to us as copies;

Louisiana Local Government Environmental Facilities
and Community Development Authority
Jones Walker LLP
University Facilities, Inc.
The Bank of New York Mellon Trust Company, N.A.
The Board of Supervisors for the University of Louisiana System
Stephens Inc.
Raymond James & Associates, Inc.
November 13, 2013
Page 4

(2) that there are no written or oral terms and conditions agreed to by and between the parties to the Corporation Documents that vary or could be deemed to vary the truth, completeness, correctness, validity, or effect of any of the Corporation Documents in any material manner, and that the terms, provisions and conditions relating to the transaction referenced in this opinion are correctly and completely reflected in the Corporation Documents; and

(3) that each party has acted in good faith and without notice of any defense against the enforcement of any rights created by, or adverse claim to any property transferred as part of, the transaction contemplated by the Corporation Documents, and that the parties will act at all times in good faith and in a commercially reasonable manner.

For purposes of this opinion, we have also reviewed all statutes or constitutional provisions and all documents, agreements, and other instruments described in the Bond Purchase Agreement or as otherwise necessary to allow us to render this opinion.

Based on such review, it is our opinion that:

- (a) The Corporation is:
 - (i) a private nonprofit corporation duly incorporated, validly organized and existing and qualified to do business and in good standing under the laws of the State of Louisiana;
 - (ii) organized under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201 *et. seq*) and operated to support and benefit the educational, scientific, research and public service missions of Southeastern Louisiana University;
 - (iii) not organized and operated for pecuniary profit;
 - (iv) organized and operated such that no part of its net earnings will inure to the benefit of any person, private stockholder or individual;
 - (v) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*"), exempt from federal income tax under Section 501(a) of the Code (except for unrelated

- business income tax imposed pursuant to Section 511 of the Code); and
- (vi) not a “private foundation” as defined in Section 509(a) of the Code and is in receipt of the determination letter from the Internal Revenue Service (the “*Service*”) dated March 10, 1999 (the “*Determination Letter*”) to such effect, which Determination Letter has not been modified, limited or revoked.
- (b) To the best of our knowledge, based on inquiry consisting of our review of certain documents and information provided in connection therewith and discussions with representatives of Corporation related thereto, the Corporation:
 - (i) has not received notification from the Service to the effect that it is not an organization described in Section 501(c)(3) of the Code and not exempt from federal income tax under Section 501(a) of the Code; and
 - (ii) has not taken any action which would impair its status as an organization described in Section 501(c)(3) of the Code.
 - (c) The current and projected use of the Facilities (as such term is defined in the Loan Agreement) financed with the proceeds of the Prior Bonds is substantially related to the exercise or performance of the charitable purposes or functions constituting the basis for the Corporation’s exemption under Section 501(c)(3) of the Code as determined by applying Section 513(a) of the Code, and therefore does not constitute an unrelated trade or business within the meaning of Section 513(a).
 - (d) The consummation of the transactions contemplated in the Corporation Documents and the Official Statement will not adversely affect the exempt status of the Corporation an exempt organization described in Section 501(c)(3) of the Code and as an organization exempt from federal income tax under Section 501(a) of the Code.

- (e) To the best of our knowledge, there is no action, suit or proceeding at law or in equity or before or by any federal court, or other federal governmental agency or body, pending or threatened, against or affecting the Corporation, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial condition of the Corporation, or the transactions contemplated by the Corporation Documents or described in the Official Statement which, in any way, would adversely affect the validity or enforceability of the Series 2013 Bonds or any of the Corporation Documents or which would adversely affect the status of the Corporation as an organization described in Section 501(c)(3) of the Code.
- (f) The Corporation has full power and authority to execute and deliver and to carry out and consummate the transactions contemplated by the Corporation Documents.
- (g) The Corporation has authorized all action necessary to be taken for the execution, delivery and due performance by Corporation under the Corporation Documents.
- (h) The Corporation Documents have been duly executed and constitute legal, valid and binding obligations of the Corporation, enforceable against the Corporation in accordance with their respective terms, except to the extent that enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally.
- (i) There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or public body pending, or to the best of our knowledge, threatened against or affecting the Corporation (or, to our knowledge, any basis therefor) or its properties, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated by the Corporation Documents, its financial condition, properties or operations or the validity or enforceability of the Corporation Documents or the Series 2013 Bonds, or any agreement or instrument to which Corporation is or is expected to be a party and

which is used or contemplated for use in the consummation of the transactions contemplated by the Corporation Documents.

- (j) The execution and delivery of the Corporation Documents will not conflict with or constitute a breach of or default under its Articles of Incorporation or By-Laws.
- (k) The execution and delivery of the Corporation Documents will not conflict with or constitute a breach of or default under any existing law, court order or administrative regulation, decree or order or any agreement, indenture, mortgage or other instrument to which the Corporation is subject or under which the Corporation or its properties currently is or currently may be bound.
- (l) No approval or other action by any governmental authority or agency, other than approvals or actions already obtained, is required in connection with the execution or performance by the Corporation of the Corporation Documents.
- (m) The information in the Official Statement under the captions "INTRODUCTORY STATEMENT," "THE CORPORATION," "LITIGATION – The Corporation" and "APPENDIX B – PROPOSED FORMS OF FINANCING DOCUMENTS" does not, as of the date hereof, contain any untrue or misleading statement of a material fact by the Corporation or omit to state a material fact by the Corporation necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Notwithstanding the foregoing, we express no opinion as to matters of title to any of the immovable or movable property that is the subject of the Corporation Documents, nor do we express any opinion on matters relating to attachment, perfection, the effect of perfection or non-perfection, or the priority of any security interest(s) in personal or movable property set forth in the UCC-1 financing statements.

For purposes of formulating our Opinion, we have not relied upon our prior Opinion of Counsel for University Facilities, Inc. issued on August 13, 2004 regarding the Series 2004 Bonds, nor may any party to which this opinion is issued rely upon that prior opinion.

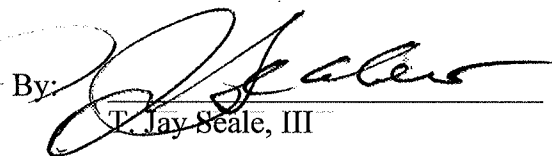
Louisiana Local Government Environmental Facilities
and Community Development Authority
Jones Walker LLP
University Facilities, Inc.
The Bank of New York Mellon Trust Company, N.A.
The Board of Supervisors for the University of Louisiana System
Stephens Inc.
Raymond James & Associates, Inc.
November 13, 2013
Page 8

This opinion is delivered to you solely for the purposes of the transactions contemplated by the Bond Purchase Agreement and may not be relied upon by any other person or entity, or for any other purpose, or quoted in whole or in part, or otherwise referred to, in any document, or to be filed with any governmental or other administrative agency or other person or entity for any person without the prior written consent of this firm.

Sincerely,

SEALE & ROSS, A PROFESSIONAL LAW CORP.

By:



T. Jay Seale, III

DeCUIR, CLARK & ADAMS L.L.P.
ATTORNEYS AT LAW
732 NORTH BOULEVARD
BATON ROUGE, LOUISIANA 70802

WINSTON G. DECUIR, SR.
LINDA LAW CLARK
MICHAEL R. D. ADAMS
WINSTON G. DECUIR, JR.
BRANDON J. DECUIR¹

(225) 346-8716
FAX (225) 336-1950

1. LL.M. IN TAXATION

November 13, 2013

**Board of Supervisors for
the University of Louisiana System
Baton Rouge, Louisiana**

**Raymond James & Associates, Inc.
New Orleans, Louisiana**

**The Bank of New York Mellon Trust
Company, N.A.
Baton Rouge, Louisiana**

**Stephens Inc.
Baton Rouge, Louisiana**

**Jones Walker LLP
Baton Rouge, Louisiana**

\$40,910,000

**Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2013**

Ladies and Gentlemen:

We have acted as counsel to the Board of Supervisors for the University of Louisiana System (the "Board") in connection with the issuance by the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") of the above referenced Bonds (the "Series 2013 Bonds"). The Series 2013 Bonds are being issued for the purpose of refunding its previously issued \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A* Bonds") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B* Bonds" and, together with the Series 2004A Bonds, the "Series 2004 Bonds") on behalf of University Facilities Inc., a Louisiana non-profit corporation (the "Corporation"), for the purpose of

financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "*Facilities*") for Southeastern Louisiana University (the "*University*") located on immovable property owned by or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "*Board*") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University (collectively, the "*Project*"). The Series 2013 Bonds are being issued for the purpose of (i) refunding the Series 2004A Bonds and (ii) paying the costs of issuance of the Series 2013 Bonds. Capitalized terms used and not otherwise defined herein shall have the meanings assigned thereto in the hereinafter defined Official Statement.

In connection therewith we have examined all proceedings of the Board in the approval and execution of the issuance of the Series 2013 Bonds, including but not limited to the adoption and approval of the resolution adopted by the Board on August 20, 2013 (the "Board Resolution"), the Official Statement (the "Official Statement") dated November 5, 2013, relating to the Series 2013 Bonds, the 15c2-12 certificate of the Board, the Continuing Disclosure Certificate of the Board, Third Supplemental Ground and Buildings Lease Agreement by and between the Board, as Lessor, and the Corporation, as Lessee, dated as of November 1, 2013, Second Amendment to Ground and Buildings Lease Agreement by and between the Board, as Lessor, and the Corporation, as Lessee, dated June 12, 2012, as recorded, First Amendment to Ground and Buildings Lease Agreement by and between the Board, as Lessor, and the Corporation, as Lessee, dated March 1, 2007, as recorded, Ground and Buildings Lease Agreement by and between the Board, as Lessor, and the Corporation, as Lessee, dated as of August 1, 2004, Third Supplemental Agreement to Lease with Option to Purchase by and between the Corporation, as Lessor, and the Board, as Lessee, dated as of November 1, 2013, Second Amendment to Agreement to Lease with Option to Purchase by and between the Corporation, as Lessor, and the Board, as Lessee, dated June 12, 2012, First Amendment to Agreement to Lease with Option to Purchase by and between the Corporation, as Lessor, and the Board, as Lessee, dated March 1, 2007, Agreement to Lease with Option to Purchase by and between the Corporation, as Lessor, and the Board, as Lessee, dated as of August 1, 2004 and the Tax Regulatory Agreement and Arbitrage Certificate by and among the Issuer, the Board, the Corporation and the Trustee dated November 13, 2013 (the "Board Documents").

Based on the foregoing we are of the opinion that:

1. The Board is a public Constitutional corporation duly created and validly existing under the laws of the state of Louisiana with full power and authority to own its properties and conduct its business and affairs, particularly to adopt the Board Resolution authorizing the Board Documents, to execute, deliver and perform its obligations under the Board Documents and to conduct the business now being conducted by it, the Board having taken all requisite action required to authorize the execution and delivery thereof and the consummation of the transactions contemplated thereby.

2. The Board Resolution approving and authorizing the execution and delivery of the Board Documents, was duly adopted at meetings of the Board which were called and held

pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout and has not been amended from the date of its adoption;

3. The Board Documents have been duly authorized, executed and delivered and constitute legal, valid and binding obligations of the Board enforceable and in accordance with their respective terms except insofar as the enforcement thereof may be limited by applicable bankruptcy, reorganization, moratorium, insolvency, liquidation or other laws affecting creditors' rights generally, by general principles of equity and as otherwise set forth herein.

4. The Board is a validly organized and existing agency of the State with the requisite power and authority with the University to enforce the collection of Auxiliary Revenues;

5. To the best of our knowledge and after reasonable inquiries, there is no action, suit, proceeding, inquiry, or investigation at law or inequity by or before any court or public board or body pending or to our knowledge threatened against or affecting the Board or the University that in any way questions or affects the validity of the Board Documents or any proceedings taken by the Board in connection therewith, or seeks to restrain or enjoin the issuance or delivery of the Board Documents, or that might result in a material adverse change in the condition (financial or otherwise), business or affairs of the Board wherein an unfavorable decision, ruling or finding would adversely affect the validity of the Board Documents including but not limited to (a) the financial position of the University taken as a whole; (b) the ability of the Board to perform its obligations under the Board Documents; or (c) the security for the Series 2013 Bonds.

Please be advised that while there may be lawsuits pending involving the Board itself, it is not possible for us to confer with every attorney handling such matters. Furthermore, it would be impossible to predict the outcomes of such cases. However, to the extent there are adverse judgments in excess of any Board insurance policy limit, such judgments could be satisfied only through an appropriation by the Louisiana Legislature because Board assets are not available to satisfy such judgments.

6. (a) The adoption of the Board Resolution and the execution and delivery of the Board Documents and compliance with the provisions thereof under the circumstances contemplated thereby, do not and will not in any material respect conflict with, result in a violation of or constitute on the part of the Board a material breach of or material default, under any material indenture, mortgage, agreement or other instrument of which we have knowledge after due and reasonable inquiry, to which the Board is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Board is subject relative to the Board Documents.

(b) The adoption of the Board Resolution and the execution and delivery of the Board Documents and compliance with the provisions thereof under the circumstances contemplated thereby, do not and will not in any material respect conflict with, result in a

violation of or constitute on the part of the University a material breach of or material default, under any material indenture, mortgage, agreement or other instrument of which we have knowledge after due and reasonable inquiry, to which the University is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Board is subject relative to the Board Documents.

(c) As to questions of fact material to our opinion, we have relied upon representations of the Authority, the Board and the Corporation contained in the Indenture, the Agreement and the Tax Agreement, the certified proceedings and other certifications of public officials and others furnished to us, including certifications furnished to us by or on behalf of the Issuer, the Corporation and the Board, without undertaking to verify the same by independent investigation.

7. No approval or other action by any governmental agency or authority, other than approvals or actions already sought and obtained, is required in connection with the execution and performance by the Board and the Board Documents.

8. Based upon our participation in the preparation of the Official Statement, and without having undertaken to determine independently the accuracy or the completeness of the statements contained therein, we have no reason to believe that the statements with respect to the Board contained in the Official Statement under the headings entitled "THE BOARD" and "THE UNIVERSITY" contain any untrue statement of a material fact or not to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

This opinion is rendered solely to the addressees hereof in connection with the captioned transaction and may not be relied upon by any person for any other purpose without our prior written consent. Further, copies of this letter may not be circulated or furnished to any party and neither this letter nor the opinion set forth herein may be quoted or referred to in any report or document furnished to any other party without our prior written consent.

The opinions set forth herein are subject to the following qualifications and limitations.

(a) The opinions set forth in this letter are given as of the date hereof and we do not undertake to report or advise you or any other person of any changes in law, statutes or jurisprudence in any matter set forth herein. The opinion is limited to the matters expressly stated herein and no opinion may be inferred or implied beyond the matters expressly stated herein.

(b) We are qualified to practice law in the State of Louisiana and the foregoing opinions are limited exclusively to the presently effective laws of the State and the Federal Laws of the United States of America in effect on and as of the date hereof and no opinion is expressed herein as to any matter governed by the laws of other jurisdictions.

(c) We have assumed the accuracy of and compliance with representations, warranties and covenants of the Board, its officers, representatives or agents, contained in the Board Documents or made in connection with the entering into of the Board Documents delivered in this transaction.

As to questions of fact material to our opinion, we have relied upon representations of the representatives of the Board contained in the Board Documents, the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation. We have assumed that all signatures (other than signatures of Board Representatives) on all documents submitted to us, are genuine, that all documents submitted to us as originals are accurate and complete, and that all documents submitted to us as copies are true and correct copies of the originals thereof.

For the purpose of this opinion our services as counsel to Board have not extended beyond the examination and expressions of conclusions referred to herein. In addition in rendering the foregoing opinion with respect to enforceability of the various agreements to which the Board is a party, we have assumed that such agreements are enforceable against the parties thereto other than the Board. This opinion is not offered or shall it be construed as a guarantee or warranty nor has the firm of DeCuir, Clark & Adams, L.L.P. performed or been asked to perform any title examinations with respect to the Equipment nor has the undersigned expressed or issued an opinion as to the title herein or otherwise.

Sincerely,

DECUIR, CLARK & ADAMS, L.L.P.

A handwritten signature in cursive script, appearing to read "Linda Law Clark".

Linda Law Clark

LLC/cjh

GREGORY A. PLETSCH & ASSOCIATES

A PROFESSIONAL LAW CORPORATION

111 FOUNDERS DRIVE

SUITE 500

BATON ROUGE, LOUISIANA 70810

GREGORY A. PLETSCH
L.L.M. (TAXATION)

TELEPHONE (225) 756-4820
TELECOPIER (225) 756-4827

November 13, 2013

Louisiana Local Government
Environmental Facilities and Community
Development Authority
Baton Rouge, Louisiana

Jones Walker LLP
Baton Rouge, Louisiana

The Bank of New York Mellon Trust
Company, N.A.
Baton Rouge, Louisiana

Southeastern Louisiana University
Hammond, Louisiana

Stephens Inc.
Baton Rouge, Louisiana

Raymond James & Associates, Inc.
New Orleans, Louisiana

Board of Supervisors for the University
of Louisiana System
Baton Rouge, Louisiana

University Facilities, Inc.
Hammond, Louisiana

\$40,910,000

Louisiana Local Government Environmental Facilities
and Community Development Authority Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)
Series 2013

Ladies and Gentlemen:

We have acted as counsel for The Bank of New York Mellon Trust Company, N.A. (the "Bank"), a national banking association, in connection with said Bank serving as Trustee (the "Trustee") under a Trust Indenture dated as of August 1, 2004 (the "Original Indenture"), by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") and the Trustee, as supplemented and amended by that certain First Supplemental Trust Indenture dated as of November 1, 2013 between the Issuer and the Trustee (the "First Supplemental Indenture" and, together with the Original Indenture, the "Indenture") relating to the issuance of the Issuer's above referenced bonds (the "Bonds"). The Bank is serving as Trustee as successor-in-interest to The Bank of New York Trust Company, N. A., as trustee pursuant to the Original

November 13, 2013

Page 2

Indenture. Unless otherwise expressly provided herein, capitalized terms used herein have the respective meanings assigned to them in the Indenture, and in addition thereto, the Indenture, the Tax Regulatory Agreement and Arbitrage Certificate dated as of even date herewith between the Issuer, the Trustee, the Board of Supervisors for the University of Louisiana System and University Facilities, Inc. and the Escrow Agreement dated as of November 1, 2013 between the Issuer and the Bank, as escrow agent, are collectively referred to herein as the "Trustee Documents."

In our capacity as counsel to the Trustee, we have examined an executed copy of the Trustee Documents and such other documents and matters of law as we have deemed necessary in order to render the following opinions.

In rendering the opinions hereinafter expressed, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, the authenticity of all signatures on executed documents, the execution of all documents submitted to us unsigned and the legal capacity of all persons (other than representatives of the Trustee) executing such documents.

Based upon the foregoing, and subject to the qualifications and exclusions otherwise stated herein, we are of the opinion that:

1. the Trustee is a national banking association with trust powers, duly organized, validly existing and in good standing under the laws of the United States of America and authorized to serve as a corporate trustee in the State of Louisiana;
2. the Trustee Documents have been duly authorized, executed and delivered by the Trustee and constitute the valid, legal and binding obligations of the Trustee, enforceable against the Trustee in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditor's rights;
3. the Trustee has all necessary fiduciary powers required to carry out the duties of the Trustee provided under the Trustee Documents;
4. to the best of our knowledge (without independent investigation), the acceptance by the Trustee of its duties and obligations under the Trustee Documents and compliance with provisions thereof does not and will not contravene the Articles of Association or Bylaws of the Trustee or conflict

with or constitute on the part of the Trustee a breach of, violation or default under any existing law, rule or administrative regulation, or, to the best of our knowledge, any judgment, order, consent decree, agreement, indenture, mortgage, lease or other instrument to which the Trustee is subject or by which it is bound;

5. to the best of our knowledge (without independent investigation), other than routine filings required to be made with governmental agencies in order to preserve the Bank's authority to perform a fiduciary corporate trust business, all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter, which would constitute a condition precedent to the performance by the Trustee of its duties and obligations under the Trustee Documents, have been obtained and are in full force and effect;
6. to the best of our knowledge (without independent investigation), no litigation is pending or threatened, which in any way contests or affects the existence or powers (including trust powers) of the Trustee or the Trustee's ability to fulfill its duties and obligations under the Trustee Documents; and
7. the Bonds have been duly authenticated and delivered by an authorized officer of the Trustee.

In rendering the opinions expressed herein, we have relied, to the extent that we deem such reliance proper, upon the Certificate of Trustee of even date herewith of officers of the Trustee with respect to the accuracy of the material factual matters which were contained in such certificate and not independently established by us. In addition, we have also assumed the genuineness of all signatures, the power to enter into and perform its obligations thereunder, and the due authorization, execution and delivery of the Trustee Documents by the respective parties thereto other than the Trustee.

In basing the opinions and other matters set forth herein on "our knowledge", the words "our knowledge" signify that, in the course of our representation of the Trustee in matters with respect to which we have been engaged by it, no information has come to our attention that would give us actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the foregoing documents, certificates, reports and information on which we have relied are not accurate and complete.

We have not made an inquiry or investigation with respect to compliance with applicable federal and state securities laws and regulations. No opinion is expressed and we specifically disclaim any opinion, as to the following: (i) the excludability of interest on the Bonds from federal or state income taxes; (ii) the applicability or compliance with

November 13, 2013

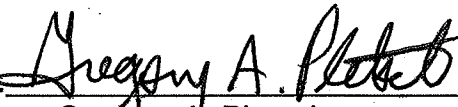
Page 4

federal or state securities laws; (iii) the enforceability of any provisions of the Trustee Documents or other document referred to herein, if any, which purports to grant extra judicial remedies; (iv) the legality or enforceability of indemnification provisions; (v) the legality or enforceability of the waiver of any rights or remedies by the Trustee under the Trustee Documents; and (vi) the authority of the Trustee to perform any duties or obligations on its part under the Trustee Documents, other than those that can be performed in the State of Louisiana.

The opinions expressed hereinabove are expressed only insofar as the laws of the State of Louisiana (without reference to its conflicts of laws rules) and the federal laws of the United States of America governing the banking and fiduciary powers of the Trustee may be applicable and are qualified to the extent that (i) certain equitable remedies including specific performance may be unavailable, and (ii) any indemnification provisions contained therein may be limited by applicable laws and public policy. This opinion is furnished solely for the benefit of the addressees and is not to be used, circulated, quoted, relied upon or otherwise referred to for any other purpose without our prior written approval. In addition, this opinion is given as of the date hereof and nothing shall require us to advise you of any facts arising after the date hereof that would invalidate or otherwise alter any matter opined to herein.

Respectfully submitted,

Gregory A. Pletsch & Associates
(A Professional Law Corporation)

By: 

Gregory A. Pletsch

GAP/cph

BUTLER | SNOW

November 13, 2013

Stephens Inc.
Baton Rouge, Louisiana

Raymond James & Company, Inc.
New Orleans, Louisiana

\$40,910,000
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2013**

Ladies and Gentlemen:

We have acted as counsel to Stephens Inc. and Raymond James & Company, Inc., as Managers (collectively, the “Underwriter”) in connection with the Underwriter’s initial purchase of \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2013, dated November 13, 2013 (the “Series 2013 Bonds”), pursuant to a Bond Purchase Agreement dated November 5, 2013 (the “Bond Purchase Agreement”), by and between the Underwriter, the Louisiana Local Government Environmental Facilities and Community Development Authority (the “Issuer”), University Facilities, Inc., a Louisiana non-profit corporation (the “Corporation”) and the Board of Supervisors for the University of Louisiana System, on behalf of Southeastern Louisiana University (the “Board”). Terms used herein and not otherwise defined have the meanings assigned thereto in the Bond Purchase Agreement.

The Series 2013 Bonds are being issued pursuant to the provisions of the Constitution of the State of Louisiana of 1974 and under the authority of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the “LCDA Act”) and Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes, as amended (the “Refunding Act” and together with the LCDA Act, the “Act”). The Series 2013 Bonds are being offered by the Underwriter pursuant to the Official Statement of the Corporation dated November 5, 2013 (the “Official Statement”). In this connection, we have examined such documents, papers, proceedings and matters of law as we have deemed necessary to enable us to render this opinion.

| | |
|---------------------------|---------------------------------------|
| <i>T 225.325.8700</i> | <i>City Plaza</i> |
| <i>F 225.325.8800</i> | <i>445 North Boulevard, Suite 810</i> |
| <i>www.butlersnow.com</i> | <i>Baton Rouge, LA 70802</i> |

November 13, 2013

Page 2

In accordance with our understanding with the Underwriter, we have participated in the preparation of the Official Statement, and in that connection we have generally reviewed information furnished to us by, and have participated in conferences with, officers and representatives of the Issuer, the Underwriter, the Corporation, the Board, Jones Walker LLP, Bond Counsel, Breithaupt, Dunn, DuBos, Shafto & Wolleson, LLC, Issuer's Counsel, DeCuir, Clark & Adams, L.L.P., Counsel to the Board, Seale & Ross, A Professional Law Corporation, Counsel to the Corporation, Sisung Securities Corporation, Financial Advisor, The Bank of New York Mellon Trust Company, N.A., Trustee and Gregory A. Pletsch & Associates, Counsel to the Trustee. We have also reviewed other records relating to the authorization, sale, issuance and delivery of the Series 2013 Bonds, and have relied upon, and assumed the correctness of, certificates of the Issuer, the Corporation, the Board, the Trustee and the opinion of Bond Counsel relating to the validity of the Series 2013 Bonds and tax-exempt status of the interest on the Series 2013 Bonds for federal and State income tax purposes.

Our opinion stated hereinafter is based upon our aforementioned review and conferences, is given in reliance upon the accuracy of the information contained in the aforementioned certificates, written opinions, letters and other documents, and is given without having undertaken to determine independently the accuracy, adequacy, completeness or fairness of the information contained in the Official Statement, except the independent review of the laws described therein and the documents and records specified hereinabove.

Based solely on and subject to the foregoing, we advise you that, during the course of the activities described in the preceding paragraph, no information came to the attention of the attorneys in our firm rendering legal services in connection with the issuance of the Series 2013 Bonds which causes us to believe that the Official Statement (except as provided hereinafter), as of the date hereof, contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, we express no view as to financial statements, or financial, statistical and numerical information, or forecasts, estimates, assumptions or expressions of opinion included in the Official Statement, including, without limitation, under the captions (i) "SOURCES OF PAYMENT FOR THE SERIES 2013 BONDS," (ii) "TAX EXEMPTION," (iii) "THE SERIES 2013 BONDS – Book-Entry Only System," (iv) "APPENDIX A – DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION RELATED TO THE UNIVERSITY," (v) "APPENDIX B – FORMS OF PRINCIPAL FINANCING DOCUMENTS," (vi) "APPENDIX C – FORM OF BOND COUNSEL OPINION" and (vii) "APPENDIX E – SCHEDULE OF SERIES 2004A BONDS," as set forth in the Official Statement.

November 13, 2013

Page 3

This opinion is solely for the benefit of, and may be relied upon by, the addressees stated above; it is not to be used, circulated, quoted or otherwise referred to for any purposes other than the offering of the Series 2013 Bonds except that references may be made to it in the Bond Purchase Agreement or in the list of closing documents pertaining to the delivery of the Series 2013 Bonds. This opinion is issued for the sole purpose of the initial purchase and resale of the Series 2013 Bonds on this date. We assume no obligation to review or supplement this opinion subsequent to its date, whether by reason of a change in the current laws by legislative or regulatory action, by judicial decision or for any other reason, or to monitor disclosure matters subsequent to the date of this letter.

Respectfully submitted,

Butler Snow LLP
Butler Snow LLP

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 1

\$1,985,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 2.000% | August 1, 2014 | November 13, 2013 | November 13, 2013 | 546282 VT8 |

REGISTERED OWNER: CEDE & Co.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: ONE MILLION NINE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("*DTC*") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of *DTC* (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of *DTC*), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of *DTC*, or by a nominee of *DTC* to *DTC* or a nominee of *DTC*, or by *DTC* or a nominee of *DTC* to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R-2

\$700,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 3.000% | August 1, 2014 | November 13, 2013 | November 13, 2013 | 546282 VU5 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: SEVEN HUNDRED THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Authority*"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "*State*"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 3

\$2,750,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 3.000% | August 1, 2015 | November 13, 2013 | November 13, 2013 | 546282 VV3 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: TWO MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 4

\$2,855,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 4.000% | August 1, 2016 | November 13, 2013 | November 13, 2013 | 546282 VW1 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: TWO MILLION EIGHT HUNDRED FIFTY-FIVE THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State") for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 5

\$2,970,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 4.000% | August 1, 2017 | November 13, 2013 | November 13, 2013 | 546282 VX9 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: TWO MILLION NINE HUNDRED SEVENTY THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 6

\$3,105,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 5.000% | August 1, 2018 | November 13, 2013 | November 13, 2013 | 546282 VY7 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: THREE MILLION ONE HUNDRED FIVE THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 7

\$3,265,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 5.000% | August 1, 2019 | November 13, 2013 | November 13, 2013 | 546282 VZ4 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: THREE MILLION TWO HUNDRED SIXTY-FIVE THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 8

\$3,415,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 5.000% | August 1, 2020 | November 13, 2013 | November 13, 2013 | 546282 WA8 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: THREE MILLION FOUR HUNDRED FIFTEEN THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 9

\$3,585,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 5.000% | August 1, 2021 | November 13, 2013 | November 13, 2013 | 546282 WB6 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: THREE MILLION FIVE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 10

\$3,775,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 5.000% | August 1, 2022 | November 13, 2013 | November 13, 2013 | 546282 WC4 |

REGISTERED OWNER: CEDE & Co.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: THREE MILLION SEVEN HUNDRED SEVENTY-FIVE THOUSAND
DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 11

\$2,045,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 3.250% | August 1, 2023 | November 13, 2013 | November 13, 2013 | 546282 WD2 |

REGISTERED OWNER: CEDE & Co.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: TWO MILLION FORTY FIVE THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 12

\$1,890,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 5.000% | August 1, 2023 | November 13, 2013 | November 13, 2013 | 546282 WE0 |

REGISTERED OWNER: CEDE & Co.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: ONE MILLION EIGHT HUNDRED NINETY THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE, HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 13

\$305,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 3.500% | August 1, 2024 | November 13, 2013 | November 13, 2013 | 546282 WF7 |

REGISTERED OWNER: CEDE & Co.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: THREE HUNDRED FIVE THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("*DTC*") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 14

\$1,500,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 4.500% | August 1, 2024 | November 13, 2013 | November 13, 2013 | 546282 WG5 |

REGISTERED OWNER: CEDE & Co.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: ONE MILLION FIVE HUNDRED THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Authority*"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "*State*"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 15

\$2,300,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 5.000% | August 1, 2024 | November 13, 2013 | November 13, 2013 | 546282 WH3 |

REGISTERED OWNER: CEDE & CO.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: TWO MILLION THREE HUNDRED THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA
STATE OF LOUISIANA

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. R- 16

\$4,465,000

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|----------------|-------------------|------------------------|------------|
| 4.000% | August 1, 2026 | November 13, 2013 | November 13, 2013 | 546282 WJ9 |

REGISTERED OWNER: CEDE & Co.
TAX ID # 13-2555119

PRINCIPAL AMOUNT: FOUR MILLION FOUR HUNDRED SIXTY-FIVE THOUSAND DOLLARS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the "State"), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this

Series 2013 Bond are payable in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts. The principal of this Series 2013 Bond shall be payable to the registered owner hereof or his assigns upon surrender hereof at the Corporate Trust Office of The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Interest on this Series 2013 Bond, when due and payable, shall be paid by check or draft mailed by the Trustee on the interest payment date to the person in whose name this Series 2013 Bond is registered, at the address as it appears on the Bond Register maintained by the Trustee at the close of business on January 15 or July 15, as the case may be next preceding such interest payment date, or if such day shall not be a Business Day, the next preceding Business Day (the "Record Date") irrespective of any transfer or exchange of this Series 2013 Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall default in payment of interest due on such interest payment date, provided that an owner of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owner has requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of a default, such defaulted interest shall be payable on a payment date established by the Trustee to the person in whose name this Series 2013 Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owner of this Series 2013 Bond not fewer than fifteen (15) days preceding such special record date.

This Series 2013 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by a duly authorized representative of the Trustee.

This Series 2013 Bond is one of the duly authorized issue of the Authority's Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the "Series 2013 Bonds"), issued under and secured by the Indenture (hereinafter defined) pursuant to which the Authority is issuing \$40,910,000 aggregate principal amount of said revenue bonds on behalf of University Facilities, Inc., a nonprofit corporation (the "Corporation") for the purpose of: (i) refunding the Series 2004A Bonds (as hereinafter defined) and (ii) paying the costs of issuance of the Series 2013 Bonds.

Pursuant to the Original Indenture (as hereinafter defined), the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds") for the purposes of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the "Facilities") for Southeastern Louisiana University (the "University") located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the "Board") in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.

The proceeds of the Series 2013 Bonds have been loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the "Original Loan Agreement"), as supplemented and amended by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the "Supplemental Loan Agreement" and, together with the Original Loan Agreement, the "Loan Agreement"), each between the Authority and the Corporation, for the foregoing purposes. The Board of Supervisors for the University of Louisiana System (the "Board"), acting on behalf of the University, has leased the land upon which the Facilities are located on the campus of the University (the

“Land”) and the Facilities to the Corporation pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the *“Original Ground Lease”*), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the *“First Amendment to Ground Lease”*), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the *“Second Amendment to Ground Lease”*), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the *“Third Supplemental Ground Lease”*) and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the *“Ground Lease”*) each by and between the Board and the Corporation, and has leased the Facilities from the Corporation pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the *“Original Facilities Lease”*), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the *“First Amendment to Facilities Lease”*), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the *“Second Amendment to Facilities Lease”*), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the *“Third Supplemental Facilities Lease”*) and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the *“Facilities Lease”*) each by and between the Corporation and the Board.

The Series 2013 Bonds are issued pursuant to the laws of the State, particularly Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the *“LCDA Act”*), Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the *“Refunding Act”*) and, together with the LCDA Act, the *“Act”*) and pursuant to a Trust Indenture dated August 1, 2004 (the *“Original Indenture”*), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the *“Supplemental Indenture”*) and, together with the Original Indenture, the *“Indenture”*), each between the Authority and the Trustee, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, and to which Indenture reference is hereby made for a more complete description of the assigned revenues constituting the Trust Estate, the nature and extent of the security, the terms and conditions under which the Series 2013 Bonds are issued and secured, the terms and conditions under which Additional Bonds may be issued and secured, the rights, duties and immunities of the Trustee and the rights of the registered owners of the Series 2013 Bonds. The registered owner of this Series 2013 Bond shall have no rights to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture, and by acceptance of this Series 2013 Bond, the owner hereof assents to all of the provisions of the Indenture and the Assignment (hereinafter defined). All terms not defined herein shall have the meanings assigned thereto in the Indenture.

The Series 2013 Bonds have been issued on a parity with the Series 2004B Bonds under the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds without coupons, in Authorized Denominations, and shall be numbered from No. R-1 upwards. The Series 2013 Bonds are limited and special revenue obligations of the Authority and are payable solely from (i) payments received by the Authority from the Corporation pursuant to the Agreement (except however, the Authority’s rights to exculpation, indemnification and payment of expenses by the Corporation under the Agreement) and (ii) all funds held by the Trustee under the Indenture and available for such payment, said payments and funds being herein referred to as the *“Trust Estate.”* The Agreement, a fully executed counterpart of

which is on file in the principal corporate trust office of the Trustee, provides that the Corporation is unconditionally obligated to make payments, but solely from the Payments (as defined in the Agreement) in an aggregate amount sufficient, for the payment in full of the principal and interest of all Series 2013 Bonds issued and outstanding under the Indenture, to the date of payment thereof and certain costs, expenses and charges of the Authority and the Trustee. The Agreement imposes upon the Corporation certain obligations respecting the use and operation of its Facilities and the maintenance and repair of said Facilities.

~~THE SERIES 2013 BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE SERIES 2013 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THE INDENTURE. THE ISSUANCE OF THE SERIES 2013 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.~~

As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Bonds in Authorized Denominations.

For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

REDEMPTION PROVISIONS

Optional Redemption

The Series 2013 Bonds maturing August 1, 2024 and thereafter are subject to redemption prior to maturity at the option of the Corporation, upon written direction to the Authority, on or after August 1, 2023 as a whole at any time, or in part on any Interest Payment Date, the maturity of said Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

Mandatory Redemption

(i) If the Board shall purchase the Corporation’s leasehold interest in the Facilities pursuant to the Facilities Lease, the Series 2013 Bonds shall be redeemed as a whole and shall be redeemed on the later of (a) August 1, 2014, or (b) the earliest practicable date, but not more than sixty (60) days, after such purchase, and in any event, at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2013 Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Series 2013 Bonds is not an Authorized Denomination, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subsection (b) shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order: first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, the Series 2013 Bonds.

Mandatory Sinking Fund Redemption.

The Series 2013 Bonds maturing on August 1, 2026 shall be subject to mandatory redemption and payment prior to maturity on August 1 in each of the years set forth below, at 100% of the principal amounts plus accrued interest to the redemption date, without premium, as follows:

| Year | Principal Amount |
|-------|------------------|
| 2025 | \$ 4,295,000 |
| 2026* | 170,000 |

*Final Maturity

If on any occasion less than all of the Series 2013 Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in the Indenture, then the principal amount of the Series 2013 Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above tables. The principal amounts required by the tables above shall be adjusted downward in the amount of principal redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional redemption.

Unless otherwise specified above, if less than all of the Series 2013 Bonds shall be called for redemption, the maturity of the Series 2013 Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

At least thirty (30) days before the redemption date of any Series 2013 Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2013 Bonds then outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

Modifications or alterations of the Indenture or any agreement supplemental thereto or of the Agreement or any agreement supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement. So long as no event of nonperformance under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

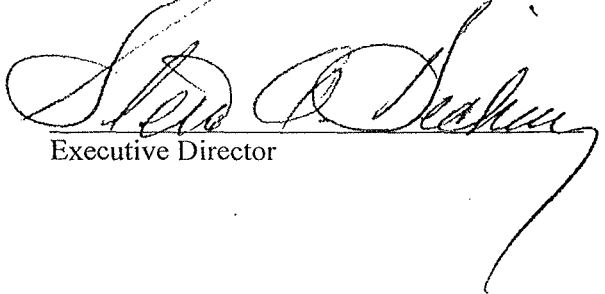
It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2013 Bond, do exist, have happened and have been performed in regular and due form as required by law.

IN WITNESS WHEREOF, the Louisiana Local Government Environmental Facilities and Community Development Authority has caused this Series 2013 Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal or a facsimile thereof to be hereto affixed or printed, and attested by the manual or facsimile signature of its Secretary-Treasurer on November 13, 2013.

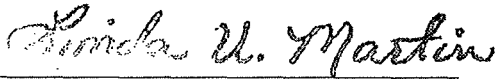
SPECIMEN

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

[SEAL]

By 
Executive Director

Attest:


Assistant Secretary

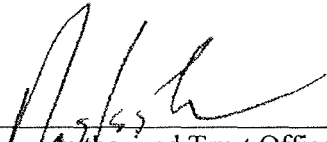
CERTIFICATE OF AUTHENTICATION

This Series 2013 Bond is one of the Series 2013 Bonds described in the within mentioned Indenture.

Date of Authentication:

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

November 13, 2013

By: 
Authorized Trust Officer

SPECIMEN

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address, including Zip Code, and Federal Taxpayer Identification of Social Security Number of Assignee)

the within Series 2013 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the Series 2013 within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature guaranteed by: _____

NOTICE: Signature must be guaranteed by a Participant in the Securities Transfer Agent Medallion Program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Series 2013 Bond in every particular, without alteration, enlargement or any change whatever.

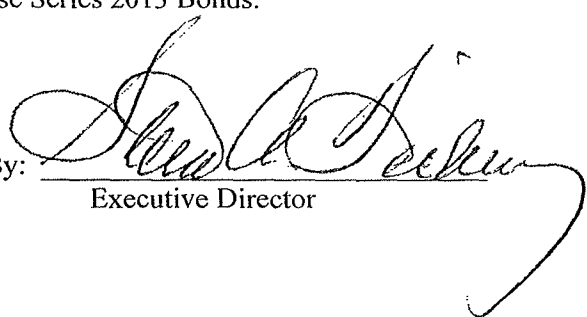
TRANSFER FEE MAY BE REQUIRED

SPECIMEN

LEGAL OPINION CERTIFICATE

I, the undersigned Chairman of the Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that attached hereto are true copies of the complete legal opinion of Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, the originals of which were manually executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue described therein and were delivered to the original purchaser thereof. I further certify that executed copies of the above-referenced legal opinions are on file in my office and that executed copies thereof have been furnished to the Trustee for these Series 2013 Bonds.

By:


Executive Director

SPECIMEN



8555 UNITED PLAZA BOULEVARD
BATON ROUGE, LOUISIANA 70809-7000
225-248-2000
FAX 225-248-2010
www.joneswalker.com

SPECIMEN

November 13, 2013

Louisiana Local Government Environmental Facilities
and Community Development Authority
Baton Rouge, Louisiana

\$40,910,000
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

We have acted as bond counsel to the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer"), a political subdivision of the State of Louisiana (the "State"), in connection with the issuance by the Issuer of the above-captioned bonds (the "Series 2013 Bonds") pursuant to Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 33:4548.16, inclusive) and Chapter 14 and Chapter 14-A of Title 39 the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456, inclusive) (collectively, the "Act").

The Series 2013 Bonds have been issued by the Issuer pursuant to the Act and other constitutional and statutory authority and a Trust Indenture dated as of August 1, 2004 (the "Original Indenture"), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the "First Supplemental Indenture" and, together with the Original Indenture, the "Indenture") each between the Issuer and The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, as trustee (the "Trustee"). Capitalized terms used herein that are not otherwise defined have the meaning given them in the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds, are dated, bear interest until paid at the rate per annum, mature in the principal amounts and on the dates, and are subject to redemption all as set forth in the Indenture and in the Series 2013 Bonds.

The Series 2013 Bonds are issued under and are secured as to principal and interest by the Indenture, which provides a description of the nature and extent of the security for the Series 2013 Bonds, a statement of the terms and conditions under which the Series 2013 Bonds are issued and secured, the rights, duties and obligations of the Issuer, the rights, duties and immunities of the Trustee and the rights of the owners of the Series 2013 Bonds.

The Issuer previously issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "Series 2004A Bonds") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "Series 2004B Bonds" and, together with the Series 2004A Bonds, the

JONES WALKER LLP

"Series 2004 Bonds") on behalf of University Facilities Inc., a Louisiana non-profit corporation (the *"Corporation"*), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the *"Facilities"*) for Southeastern Louisiana University (the *"University"*) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the *"Board"*) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University (collectively, the *"Project"*). The Series 2013 Bonds are being issued for the purpose of (i) refunding the Series 2004A Bonds and (ii) paying costs of issuance of the Series 2013 Bonds.

The Issuer and the Corporation have entered into a Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation (the *"Original Agreement"*), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation (the *"Supplemental Agreement"* and, together with the Original Agreement, the *"Agreement"*), pursuant to which the Issuer will loan the proceeds from the sale of the Series 2013 Bonds to the Corporation for the foregoing purposes. Pursuant to the Agreement, the Corporation has agreed to make loan payments (the *"Payments"*) solely from the Base Rental (as defined in the Agreement) sufficient to pay the principal of, premium, if any, and interest on the Series 2013 Bonds. The rights of the Issuer under the Agreement (except for the rights of the Issuer relating to exculpation, indemnification and payment of expenses thereunder) have been pledged and assigned by the Issuer to the Trustee as security for the Series 2013 Bonds.

The Board is leasing the land upon which the Facilities have been constructed to the Corporation pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the *"Original Ground Lease"*), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the *"First Amendment to Ground Lease"*), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the *"Second Amendment to Ground Lease"*), as further supplemented and amended by a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the *"Third Supplemental Ground Lease"* and, together with the Original Ground Lease, the First Amendment to Ground Lease and the Second Amendment to Ground Lease, the *"Ground Lease"*).

The Facilities have been leased by the Corporation to the Board pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the *"Original Facilities Lease"*), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the *"First Amendment to Facilities Lease"*), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the *"Second Amendment to Facilities Lease"*), as further supplemented and amended by a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the *"Third Supplemental Facilities Lease"* and, together with the Original Facilities Lease, the First Amendment to Facilities Lease and the Second Amendment to Facilities Lease, the *"Facilities Lease"*).

The Series 2013 Bonds are also entitled to the benefits of the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee (the *"Mortgage"*) executed by the Corporation in favor of the Trustee, pursuant to which the Corporation has mortgaged its leasehold interest in and to the Property (as defined in the Mortgage).

We have examined: (i) the constitution and statutes of the State, including the Act; (ii) a certified transcript of the proceedings of the Issuer authorizing the issuance of the Series 2013 Bonds; (iii) the Indenture, the Agreement, the Tax Regulatory Agreement and Arbitrage Certificate dated the date of delivery and payment for the Series 2013 Bonds among the Issuer, the Corporation, the Board and the

Trustee (the "Tax Agreement"); and (iv) such other documents, instruments, proofs and matters of law as we have deemed relevant to the issuance of the Series 2013 Bonds and necessary for the purpose of this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Board and the Corporation contained in the Indenture, the Agreement and the Tax Agreement, the certified proceedings and other certifications of public officials and others furnished to us, including certifications furnished to us by or on behalf of the Issuer, the Corporation and the Board, without undertaking to verify the same by independent investigation.

On the basis of the foregoing examinations, we are of the opinion, as of the date hereof and under existing law, that:

1. The Issuer is a validly existing political subdivision of the State and has the power and authority to enter into the Agreement and the Indenture and to issue and sell the Series 2013 Bonds.

2. The Series 2013 Bonds are valid and binding special and limited obligations of the Issuer secured by and entitled to the benefits of the Indenture and are payable solely from the revenues and other amounts pledged and assigned under the Indenture.

3. The Supplemental Agreement and the Supplemental Indenture have been duly authorized, executed and delivered by the Issuer and constitute valid and binding obligations of the Issuer, enforceable upon the Issuer in accordance with their terms, and all rights of the Issuer under the Agreement have been validly assigned to the Trustee under the Indenture, with the exception of certain rights of the Issuer relating to notice, exculpation, indemnification and payment of expenses.

4. The Series 2013 Bonds and interest thereon do not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any State constitutional or statutory provision and will not constitute a general obligation or a charge against any other revenues of the Issuer.

5. Interest on the Series 2013 Bonds (including the amount of original issue discount properly allocable to the owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings.

6. Under the Act, the Series 2013 Bonds are exempt from all taxation by the State of Louisiana or any political subdivision thereof.

In rendering the opinions expressed in paragraph 5 above, we have relied upon the opinion of even date herewith of Seale & Ross, A Professional Law Corporation, Hammond, Louisiana, counsel to the Corporation that the Corporation is an organization that is exempt from the federal income tax under Code Section 501(c)(3). We have also relied upon such opinion with respect to (i) the due organization of the Corporation, (ii) the good standing of the Corporation in the State; (iii) the corporate power of the Corporation to enter into, and the due authorization, execution and delivery by the Corporation of, the Loan Agreement, the Ground Lease and the Facilities Lease, and the valid and binding effect thereof on the Corporation, and (iv) matters which might be disclosed as a result of an examination of the indentures, mortgages, deeds of trust, certifications of incorporation, by-laws, and other agreements or instruments to which the Corporation is a party or by which it or its properties are bound.

We have relied on representations of the Issuer, the Board and the Corporation with respect to matters solely within the knowledge of the Issuer, the Board and the Corporation, which we have not independently verified, and have assumed continuing compliance with the covenants in the Indenture, the Agreement and the Tax Agreement pertaining to those sections of the Code that affect the exclusion from gross income of interest on the Series 2013 Bonds for federal income tax purposes. In the event that such representations are determined to be inaccurate or incomplete or the Issuer, the Board or the Corporation fails to comply with the foregoing covenants, interest on the Series 2013 Bonds could be includable in gross income for federal income tax purposes from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

The accrual or receipt of interest on the Series 2013 Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Series 2013 Bonds.

It is to be understood that the rights of the owners of the Series 2013 Bonds and the enforceability of the Series 2013 Bonds, the Indenture, the Agreement and the other documents enumerated above may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that their enforcement may also be subject to the exercise of the sovereign police powers of the State or its governmental bodies and the exercise of judicial discretion in appropriate cases.

For purposes of this opinion, our services as bond counsel have not extended beyond the examinations and expressions of the conclusions referred to above. This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur. Except as stated above, no opinion is expressed as to any federal or state tax consequences resulting from the ownership of, receipt of interest on, or disposition of, the Series 2013 Bonds.

Respectfully submitted,

Jones Walker LLP

SPECIMEN



Blanket Issuer Letter of Representations

(To be Completed by Issuer)

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES
AND COMMUNITY DEVELOPMENT AUTHORITY**

(Name of Issuer)

November 17, 1998

(Date)

Attention: Underwriting Department — Eligibility
The Depository Trust Company
55 Water Street, 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT
AUTHORITY**

By: *John A. Berthelot*
(Authorized Officer's Signature)

John A. Berthelot, Chairman
(Type Name & Title)

700 North Tenth Street, 4th Floor
(Street Address)

Baton Rouge, Louisiana 70802
(City) (State) (Zip)

(225) 344-5001
(Phone Number)

Received and Accepted:

THE DEPOSITORY TRUST COMPANY
By: *John J. Donohue*

SCHEDULE A

**SAMPLE OFFERING DOCUMENT LANGUAGE
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$200 million, one certificate will be issued with respect to each \$200 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC 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 securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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, but Beneficial Owners are 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 Securities are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Securities with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. 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.

[6. Redemption notices shall be sent to Cede & Co. if less than all of the Securities within an issue are being redeemed. DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. will consent or vote with respect to Securities. 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal and interest payments on the Securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts on payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on payable date. Payments by 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 Participant and not of DTC, the Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer or the Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to the [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to the [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with a demand for purchase or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records.]

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

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

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

34 a



**CAPITOL
SERVICES**

Date: 11/12/2013
Reference: Non-Litigation searches
Copies Requested: Docket Sheet
Page Limit: 30

Searched Through: 11/04/2013
Subject: Louisiana Local Government Environmental Facilities and Community Development Authority
Jurisdiction: US District Court - Middle District of Louisiana, LA
Index Searched: Open Litigation by Defendant

| FILE DATE | CASE # | STYLE OF ACTION |
|----------------|--------|-----------------|
| NONE OF RECORD | | |

PLEASE NOTE THAT OPTING FOR OPEN LITIGATION ONLY SEARCHES MAY LIMIT YOUR ABILITY TO DISCOVER JUDGMENTS AND CASES THAT HAVE MOVED FORWARD IN THE APPEALS PROCESS. FOR A CLOSED LITIGATION SEARCH OR FOR A SEARCH OF THE APPEALS COURTS, PLEASE CONTACT CAPITOL SERVICES, INC.

Capitol Corporate Services, Inc. ★ PO Box 82530 ★ Baton Rouge, LA 70884-2530 ★ (800)408-1262



9-87556965



Date: 11/12/2013
Reference: Non-Litigation searches
Copies Requested: Docket Sheet
Page Limit: 30

Searched Through: 11/04/2013
Subject: Board of Supervisors for the University of Louisiana System
Jurisdiction: US District Court - Middle District of Louisiana, LA
Index Searched: Open Litigation by Defendant

| FILE DATE | CASE # | STYLE OF ACTION |
|------------|--------------------------|--|
| 06/18/2013 | 2:13-CV-04829-SS | MICHAEL R. MCGILL VS. MARVIN YATES, ET AL. |
| 10/03/2013 | 2:13-CV-06033-SM-K WR | ANDREW SCHLESINGER VS. BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM, ET AL. |

We have discovered filings indexed under the following name variation(s). In some jurisdictions it is not possible to determine the status of such filings without performing a search.

BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY (DFT)

PLEASE NOTE THAT OPTING FOR OPEN LITIGATION ONLY SEARCHES MAY LIMIT YOUR ABILITY TO DISCOVER JUDGMENTS AND CASES THAT HAVE MOVED FORWARD IN THE APPEALS PROCESS. FOR A CLOSED LITIGATION SEARCH OR FOR A SEARCH OF THE APPEALS COURTS, PLEASE CONTACT CAPITOL SERVICES, INC.

Capitol Corporate Services, Inc. ★ PO Box 82530 ★ Baton Rouge, LA 70884-2530 ★ (800)408-1262



9-87556976

**U. S. District Court
Eastern District of Louisiana (New Orleans)
CIVIL DOCKET FOR CASE #: 2:13-cv-04829-SS**

McGill v. Board of Supervisors of the University of
Louisiana System et al
Assigned to: Magistrate Judge Sally Shushan
Cause: 42:2000e Job Discrimination (Employment)

Date Filed: 06/18/2013
Jury Demand: Plaintiff
Nature of Suit: 445 Civil Rights:
Americans with Disabilities -
Employment
Jurisdiction: Federal Question

Plaintiff

Michael R. McGill

represented by **Dale Edward Williams**
Law Office of Dale Edward Williams
212 Park Place
Covington, LA 70433
985-898-6368
Email: dale@daleslaw.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Hugh B. Exnicios
Exnicios Legal Center
247 Exnicios Dr.
Folsom, LA 70437
985-796-8300
Fax: 985-796-9410
Email: BeckyEVolz@aol.com
ATTORNEY TO BE NOTICED

V.

Defendant

Marvin Yates

represented by **William Peter Connick**
Connick & Connick, LLC
2551 Metairie Rd.
Metairie, LA 70001
(504) 838-8777
Fax: 504.838.9903
Email: pconnick@connicklaw.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Gregory C. Fahrenholt
Connick & Connick, LLC
2551 Metairie Rd.

Metairie, LA 70001
504-681-6649
Email: gfahrenholt@connicklaw.com
ATTORNEY TO BE NOTICED

Defendant

Angela Jones

represented by **William Peter Connick**
(See above for address)
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Gregory C. Fahrenholt
(See above for address)
ATTORNEY TO BE NOTICED

Defendant

**Board of Supervisors for the
University of Louisiana System**

represented by **William Peter Connick**
(See above for address)
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Gregory C. Fahrenholt
(See above for address)
ATTORNEY TO BE NOTICED

| Date Filed | # | Docket Text |
|-------------------|----------|---|
| 06/18/2013 | <u>1</u> | COMPLAINT with jury demand against All Defendants (Filing fee \$ 400 receipt number 053L-4023538) filed by Michael R. McGill. (Attachments: # <u>1</u> Civil Cover Sheet, # <u>2</u> Summons Board of Supervisors, # <u>3</u> Summons Attorney General, # <u>4</u> Summons A. Jones in professional capacity, # <u>5</u> Summons A. Jones in personal capacity, # <u>6</u> Summons M. Yates in professional capacity, # <u>7</u> Summons M. Yates in personal capacity)(Williams, Dale) (Entered: 06/18/2013) |
| 06/19/2013 | 2 | Initial Case Assignment to Judge Martin L.C. Feldman and Magistrate Judge Sally Shushan. (mmv,) (Entered: 06/19/2013) |
| 06/19/2013 | <u>3</u> | Summons Issued as to Board of Supervisors for the University of Louisiana System, Angela Jones, Marvin Yates. (Attachments: # <u>1</u> Summons, # <u>2</u> Summons, # <u>3</u> Summons, # <u>4</u> Summons, # <u>5</u> Summons)(clm,) (Entered: 06/19/2013) |
| 07/16/2013 | <u>4</u> | SUMMONS Returned Executed; Angela Jones served on 7/11/2013, answer due 8/1/2013. (caa,) (Entered: 07/17/2013) |
| 09/04/2013 | <u>5</u> | EXPARTE/CONSENT MOTION for Extension of Time to Answer re <u>1</u> Complaint, by Board of Supervisors for the University of Louisiana System, Angela Jones, Marvin Yates. Motion(s) referred to Sally Shushan. (Attachments: # <u>1</u> Proposed Order)Attorney Gregory C. Fahrenholt added to party Board of Supervisors for the University of Louisiana System(pty:dft), Attorney Gregory C. Fahrenholt added to party Angela Jones(pty:dft), Attorney |

| | | |
|------------|-----------|--|
| | | Gregory C. Fahrenholt added to party Marvin Yates(pty:dft).(Fahrenholt, Gregory) (Entered: 09/04/2013) |
| 09/20/2013 | <u>6</u> | MOTION to Dismiss for Lack of Jurisdiction , MOTION to Dismiss for Failure to State a Claim by Board of Supervisors for the University of Louisiana System, Angela Jones, Marvin Yates. Motion(s) referred to Sally Shushan. Motion set for 10/16/2013 09:00 AM before before Magistrate Judge Sally Shushan. (Attachments: # <u>1</u> Memorandum in Support, # <u>2</u> Notice of Submission)(Fahrenholt, Gregory) Modified on 9/23/2013 (clm,). (Entered: 09/20/2013) |
| 09/23/2013 | <u>7</u> | Correction of Docket Entry by Clerk re <u>6</u> MOTION to Dismiss for Lack of Jurisdiction MOTION to Dismiss for Failure to State a Claim . Filing attorney selected incorrect judicial officer and time for submission/hearing. When setting a motion for submission/hearing there is a reminder message 'Be sure to select the correct Judge or Magistrate Judge:'. Motion set for 10/16/2013 09:00 AM before before Magistrate Judge Sally Shushan. Clerk took corrective action. (clm,) (Entered: 09/23/2013) |
| 09/24/2013 | <u>8</u> | ORDER granting <u>5</u> Motion for Extension of Time to Answer re <u>1</u> Complaint, as to Board of Supervisors for the University of Louisiana System; Angela Jones; and Marvin Yates answer due 9/25/2013. Signed by Magistrate Judge Sally Shushan on 9/24/2013. (caa,) (Entered: 09/24/2013) |
| 10/08/2013 | <u>9</u> | RESPONSE/MEMORANDUM in Opposition filed by Michael R. McGill re <u>6</u> MOTION to Dismiss for Lack of Jurisdiction MOTION to Dismiss for Failure to State a Claim . (Attachments: # <u>1</u> Exhibit)(Williams, Dale) (Entered: 10/08/2013) |
| 10/23/2013 | <u>10</u> | CONSENT to Jurisdiction and Order referring case to US Magistrate Judge. Judge Martin L.C. Feldman terminated. Case assigned to Magistrate Judge Sally Shushan for all further proceedings. Signed by Judge Martin L.C. Feldman on 10/22/2013.(caa,) (Entered: 10/24/2013) |
| 10/24/2013 | <u>11</u> | EXPARTE/CONSENT MOTION to Amend/Correct <u>1</u> Complaint by Michael R. McGill. (Attachments: # <u>1</u> Memorandum in Support, # <u>2</u> Proposed Order, # <u>3</u> Notice of Submission, # <u>4</u> Certificate of No Opposition, # <u>5</u> Proposed Pleading)(Williams, Dale) Modified on 10/25/2013 (gec,). (Entered: 10/24/2013) |
| 10/25/2013 | <u>12</u> | Correction of Docket Entry by Clerk re <u>11</u> Amended Complaint. Filing attorney selected incorrect event. Correct event is Motion to Amend/Correct. Clerk took corrective action by changing the event. (gec,) (Entered: 10/25/2013) |
| 10/28/2013 | <u>13</u> | ORDER granting <u>11</u> Motion to Amend/Correct Complaint. Signed by Magistrate Judge Sally Shushan. (gec,) (Entered: 10/28/2013) |
| 10/28/2013 | <u>14</u> | First AMENDED COMPLAINT with Jury Demand against Board of Supervisors for the University of Louisiana System, Angela Jones, Marvin Yates filed by Michael R. McGill.(gec,) (Entered: 10/28/2013) |
| 10/29/2013 | <u>15</u> | ORDERED that defendants' <u>6</u> Motion to Dismiss is DISMISSED in PART as MOOT and in PART WITHOUT PREJUDICE. If the amended complaint has |

| | | |
|------------|-----------|--|
| | | not resolved all of the issues raised by the defendants' motion to dismiss, within 21 days of the entry of this order, they may file a further motion to dismiss. If they do not file a motion to dismiss within that deadline, they shall file an answer to the amended complaint within the same deadline. Signed by Magistrate Judge Sally Shushan. (gec,) (Entered: 10/29/2013) |
| 10/31/2013 | <u>16</u> | MOTION for Partial to Dismissal for Failure to State a Claim and Lack of Jurisdiction by Board of Supervisors for the University of Louisiana System, Angela Jones, Marvin Yates. Motion set for 11/20/2013 09:00 AM before Magistrate Judge Sally Shushan. (Attachments: # <u>1</u> Memorandum in Support, # <u>2</u> Notice of Submission)(Fahrenholt, Gregory) Modified on 11/4/2013 (gec,). (Entered: 10/31/2013) |

**U. S. District Court
Eastern District of Louisiana (New Orleans)
CIVIL DOCKET FOR CASE #: 2:13-cv-06033-SM-KWR**

Schlesinger v. Board of Supervisors for the University of
Louisiana System et al
Assigned to: Judge Susie Morgan
Referred to: Magistrate Judge Karen Wells Roby
Cause: 42:3601 Fair Housing Act

Date Filed: 10/03/2013
Jury Demand: Plaintiff
Nature of Suit: 443 Civil Rights:
Accommodations
Jurisdiction: Federal Question

Plaintiff

Andrew Schlesinger
an individual

represented by **Andrew David Bizer**
Bizer Law Firm, LLC
757 St. Charles Ave.
Suite 304
New Orleans, LA 70130
504-619-9999
Fax: 504-592-3300
Email: andrew@bizerlaw.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

V.

Defendant

**Board of Supervisors for the
University of Louisiana System**
*as the entity responsible for Nicholls
State University*

Defendant

Brian Clausen
in his official and individual capacity

Defendant

Eugene Dial
in his official and individual capacity

Defendant

Hayward Guenard
in his official and individual capacity

| Date Filed | # | Docket Text |
|-------------------|----------|---|
| 10/03/2013 | <u>1</u> | COMPLAINT with jury demand against All Defendants (Filing fee \$ 400 receipt number 053L-4178488) filed by Andrew Schlesinger. (Attachments: # <u>1</u> Civil Cover Sheet)Attorney Andrew David Bizer added to party Andrew Schlesinger |

| | | |
|------------|----------|---|
| | | (pty:pla).(Bizer, Andrew) Modified on 10/4/2013 (gbw,). (Waiver of Service) (Entered: 10/03/2013) |
| 10/04/2013 | <u>2</u> | Initial Case Assignment to Judge Susie Morgan and Magistrate Judge Karen Wells Roby. (cl,) (Entered: 10/04/2013) |
| 10/30/2013 | <u>3</u> | WAIVER OF SERVICE Returned Executed; waiver sent to Brian Clausen on 10/7/2013, answer due 12/6/2013. (Bizer, Andrew) Modified on 10/31/2013 (gbw,). (Entered: 10/30/2013) |
| 10/30/2013 | <u>4</u> | WAIVER OF SERVICE Returned Executed; waiver sent to Eugene Dial on 10/7/2013, answer due 12/6/2013. (Bizer, Andrew) Modified on 10/31/2013 (gbw,). (Entered: 10/30/2013) |
| 10/30/2013 | <u>5</u> | WAIVER OF SERVICE Returned Executed; waiver sent to Hayward Guenard on 10/7/2013, answer due 12/6/2013. (Bizer, Andrew) Modified on 10/31/2013 (gbw,). (Entered: 10/30/2013) |



CAPITOL SERVICES

Date: 11/12/2013
Reference: Non-Litigation searches
Copies Requested: Docket Sheet
Page Limit: 30

34 b

Searched Through: 11/04/2013
Subject: University Facilities, Inc.
Jurisdiction: US District Court - Eastern District of Louisiana, LA
Index Searched: Open Litigation by Defendant

| FILE DATE | CASE # | STYLE OF ACTION |
|-----------|--------|-----------------|
|-----------|--------|-----------------|

NONE OF RECORD

PLEASE NOTE THAT OPTING FOR OPEN LITIGATION ONLY SEARCHES MAY LIMIT YOUR ABILITY TO DISCOVER JUDGMENTS AND CASES THAT HAVE MOVED FORWARD IN THE APPEALS PROCESS. FOR A CLOSED LITIGATION SEARCH OR FOR A SEARCH OF THE APPEALS COURTS, PLEASE CONTACT CAPITOL SERVICES, INC.

Capitol Corporate Services, Inc. ★ PO Box 82530 ★ Baton Rouge, LA 70884-2530 ★ (800)408-1262



9-87556998

35 a



CAPITOL SERVICES

Date: 11/12/2013
Reference: Non-Litigation searches
Copies Requested: Docket Sheet
Page Limit: 30

Searched Through: 11/04/2013
Subject: Louisiana Local Government Environmental Facilities and Community Development Authority
Jurisdiction: 19th District Court, East Baton Rouge Parish, LA
Index Searched: Open Litigation by Defendant

| FILE DATE | CASE # | STYLE OF ACTION |
|-----------|--------|-----------------|
|-----------|--------|-----------------|

| | | |
|----------------|--|--|
| NONE OF RECORD | | |
|----------------|--|--|

PLEASE NOTE THAT OPTING FOR OPEN LITIGATION ONLY SEARCHES MAY LIMIT YOUR ABILITY TO DISCOVER JUDGMENTS AND CASES THAT HAVE MOVED FORWARD IN THE APPEALS PROCESS. FOR A CLOSED LITIGATION SEARCH OR FOR A SEARCH OF THE APPEALS COURTS, PLEASE CONTACT CAPITOL SERVICES, INC.

Capitol Corporate Services, Inc. ★ PO Box 82530 ★ Baton Rouge, LA 70884-2530 ★ (800)408-1262



9-87556943



Date: 11/12/2013
Reference: Non-Litigation searches
Copies Requested: Docket Sheet
Page Limit: 30

Searched Through: 11/04/2013
Subject: Board of Supervisors for the University of Louisiana System
Jurisdiction: 19th District Court, East Baton Rouge Parish, LA
Index Searched: Open Litigation by Defendant

| FILE DATE | CASE # | STYLE OF ACTION |
|------------|---------|--|
| 08/17/2004 | C523497 | GLYNN R. CYPRIEN VS. BOARD OF SUPERVISORS OF THE UNIV OF LOUISIANA SYS |
| 10/17/2012 | C616297 | WENDY JEAN HAJJAR VS. LA. STATE UNI A M COLLEGE SUP, ET AL. |

We have discovered filings indexed under the following name variation(s). In some jurisdictions it is not possible to determine the status of such filings without performing a search.

- BOARD OF SUPERVISORS
- BOARD OF SUPERVISORS, ET AL.
- BOARD OF SUPERVISORS, ETC.
- BOARD OF SUPERVISORS LA STATE UNIVERSITY, ET AL
- BOARD OF SUPERVISORS OF LOUISIANA STATE UNI. ET AL.
- BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY
- BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY ETC.
- BOARD OF SUPERVISORS OF UNIVERSITY OF LOUISIANA

PLEASE NOTE THAT OPTING FOR OPEN LITIGATION ONLY SEARCHES MAY LIMIT YOUR ABILITY TO DISCOVER JUDGMENTS AND CASES THAT HAVE MOVED FORWARD IN THE APPEALS PROCESS. FOR A CLOSED LITIGATION SEARCH OR FOR A SEARCH OF THE APPEALS COURTS, PLEASE CONTACT CAPITOL SERVICES, INC.



East Baton Rouge Parish Clerk of Court Docket Report Results

Report Selection Criteria

Case ID: C616297
 Docket Start Date:
 Docket Ending Date:

Case Description

Case ID: C616297 - WENDY JEAN HAJJAR VS LA STATE UNI A M COLLEGE SUP - NON JURY-
 Filing Date: Wednesday, October 17, 2012
 Type: DM - Damages
 Status: 6071 - NTC OF JU MAILED FROM JUDGE

Charges

No charges were found.

Related Cases

No related cases were found.

Case Event Schedule

No case events where found.

Case Parties

| Seq # | Assoc | End Date | Type | ID | Name | Race | Sex | Birth Date |
|--|-------|----------|-----------|---------|---|---------------|-----|------------|
| 1 | 4 | | Plaintiff | @754149 | HAJJAR, WENDY JEAN | | | |
| Address: THRU LARRY SAMUELS ATY 715 GIROD STREET ATE 100 NEW ORLEANS LA 70130 | | | | | | Aliases: none | | |
| 2 | | | Defendant | @754151 | LA STATE UNIVERSITY A M COLLEGE SUPERVISORS BOARD ETAL | | | |
| Address: unavailable | | | | | | Aliases: none | | |
| 3 | | | Judge | WEF | FIELDS, HON WILSON E | | | |
| Address: 19TH JUDICIAL DISTRICT COURT 300 NORTH BLVD, RM 7A BATON ROUGE LA 70802 (225)389-8741 | | | | | | Aliases: none | | |
| 4 | | | Attorney | BR11678 | SAMUEL, LARRY MAYER | | | |
| Address: ROSEN AND SAMUEL 715 GIROD ST STE 200 NEW ORLEANS LA 70130-3505 | | | | | | Aliases: none | | |
| 5 | | | Defendant | @754153 | UNIVERSITY OF NEW ORLEANS | | | |
| Address: unavailable | | | | | | Aliases: none | | |
| 6 | 7 | | Defendant | @768795 | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM | | | |
| Address: unavailable | | | | | | Aliases: none | | |
| 7 | | | Attorney | BR29337 | MCINNIS, AMY L | | | |
| Address: SHOWS CALI BERTHELOT & MORRIS 644 ST FERDINAND ST PO DRAWER 4425 BATON ROUGE LA 70821 (225)346-8668 | | | | | | Aliases: none | | |

Docket Entries

| Filing Date | Description | Name | Party Association |
|----------------------|----------------------|---------------------|--------------------|
| 17-Oct-2012 05:09 PM | LETTER FROM ATTORNEY | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | S/R 10/19 |
| 17-Oct-2012 05:10 PM | PET/DAMAGES | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | S/R 10/19 |

| | | | |
|----------------------|---|---------------------|---|
| 17-Oct-2012 05:11 PM | VERIFICATION | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | S/R 10/19 |
| 19-Oct-2012 02:21 PM | HOLD SERVICE | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | | Microfilm #: | |
| 29-Nov-2012 04:14 PM | LET REQUESTING SERVICE | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | S/R 12/3 |
| 03-Dec-2012 02:07 PM | LET TO OOP SHERIFF | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | ORLEANS PARISH (1) CITATION.....JDP | | |
| Image: | Image Available - | Microfilm #: | |
| 03-Dec-2012 02:08 PM | CITATION | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | |
| 03-Dec-2012 02:12 PM | CITATION | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | |
| 03-Dec-2012 02:14 PM | CITATION | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | |
| 04-Dec-2012 12:30 PM | MAN CK/FOREIGN SHERIFF | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | | Microfilm #: | |
| 28-Dec-2012 10:33 AM | SERVICE INFORMATION | | |
| Entry: | Citation/MS/EBR DATE_SERVED: 12/28/2012 12:00:00 AM SERVICE TYPE: Personal Service PARTY SERVED: LA STATE UNIVERSITY A M COLLEGE SUPERVISORS BOARD SERVED BY: EAST BATON ROUGE PARISH SHERIFFS OFFICE | | |
| Image: | Image Available - | Microfilm #: | |
| 08-Jan-2013 09:56 AM | SERVICE INFORMATION | | |
| Entry: | Citation/MS/EBR DATE_SERVED: 12/7/2012 12:00:00 AM SERVICE TYPE: Departmental Service PARTY SERVED: BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIA SERVED BY: EAST BATON ROUGE PARISH SHERIFFS OFFICE | | |
| Image: | Image Available - | Microfilm #: | |
| 08-Jan-2013 02:24 PM | SERVICE INFORMATION | | |
| Entry: | Cit/Mail Service (OOP) DATE_SERVED: 12/13/2012 12:00:00 AM SERVICE TYPE: Personal Service PARTY SERVED: UNIVERSITY OF NEW ORLEANS SERVED BY: ORLEANS PARISH SHERIFFS OFFICE | | |
| Image: | Image Available - | Microfilm #: | |
| 01-Feb-2013 12:54 PM | LETTER FROM ATTORNEY | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | S/R 2/13 |
| 01-Feb-2013 12:55 PM | MOTION/PRELIMINARY DEFAULT | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | S/R 2/13 |
| 11-Feb-2013 11:51 AM | PD Entered | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | On written motion of counsel for plaintiff, a preliminary default was entered herein against the defendants, BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AGRICULTURAL AND MECHANICAL COLLEGE, BOARD OF SUPERVISORS for the UNIVERSITY OF LOUISIANA SYSTEM and UNIVERSITY OF NEW ORLEANS. (Duty-Judge KELLEY) | | |
| Image: | | Microfilm #: | |
| 13-Feb-2013 09:37 AM | CONFORMED COPY/NO POSTAGE | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | | Microfilm #: | |
| 15-Mar-2013 09:34 AM | DILATORY EXCEPTION | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | SR 4/15 |

| | | | |
|----------------------|--|---------------------|---|
| 15-Mar-2013 09:34 AM | MEMORANDUM IN SUPPORT | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | SR 4/15 |
| 15-Mar-2013 09:34 AM | ATTACH/EXHIBITS(W/COST) | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | CP 4/2 |
| 01-Apr-2013 01:02 PM | CERTIFICATE | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | W/T 04/02 |
| 02-Apr-2013 08:55 AM | Signed | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | Dilatory Exception of Lack of Procedural Capacity and Peremptory Exceptions of No Cause of Action and Prescription was signed this date; set for hearing May 20, 2013, at 9:30 a.m. | | |
| Image: | | Microfilm #: | |
| 09-Apr-2013 11:08 AM | NTC OF ASSIGNMENT | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | SR 04/11 |
| 15-Apr-2013 09:43 AM | RULE NISI | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | |
| 15-Apr-2013 09:51 AM | LET TO OOP SHERIFF | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | ORLEANS PARISH SHERIFF-----RULE NISI | | |
| Image: | Image Available - | Microfilm #: | |
| 16-Apr-2013 10:36 AM | SHERIFF PAYMENT | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | | Microfilm #: | |
| 03-May-2013 11:57 AM | SERVICE INFORMATION | | |
| Entry: | Rule Nisi (MS) (OOP) DATE_SERVED: 4/23/2013 12:00:00 AM SERVICE TYPE: Personal Service PARTY SERVED: HAJJAR, WENDY JEAN SERVED BY: ORLEANS PARISH SHERIFFS OFFICE | | |
| Image: | Image Available - | Microfilm #: | |
| 08-May-2013 10:11 AM | LETTER FROM ATTORNEY | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | SR 5/15 |
| 08-May-2013 10:11 AM | MEMO/OPPOSITION | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | SR 5/15 |
| 08-May-2013 10:11 AM | ATTACH/EXHIBITS(W/COST) | SAMUEL, LARRY MAYER | HAJJAR, WENDY JEAN |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | SR 5/15 |
| 17-May-2013 08:40 AM | Passed w/o Date | | |
| Entry: | Amy McInnis sent a fax stating that the parties will be submitting a Consent Judgment as to the exceptions of lack of procedural capacity and no cause of action. Defendants wish to pass all exception hearing (May 20, 2013) without date. | | |
| Image: | | Microfilm #: | |
| 12-Sep-2013 02:12 PM | JUDGMENT/STIPULATED | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | Image Available - | Microfilm #: | SR 9/26 |
| 16-Sep-2013 09:36 AM | Judgment Signed | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | Stipulated Judgment was signed this date. See Decree. | | |
| Image: | | Microfilm #: | |
| 18-Sep-2013 01:37 PM | NTC OF JU MAILED FROM JUDGE | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |
| Image: | | Microfilm #: | |
| 19-Sep-2013 03:33 PM | NTC OF ASSIGNMENT | MCINNIS, AMY L | BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM |
| Entry: | none | | |

Image: [Image Available - \[icon\]](#)

Microfilm #: SR 09/20

- record searched on 11/12/2013 3:26:50 PM for user "Public User" -

[▶ Search Home](#)
[▶ Related Cases](#)

[▶ New Search](#)
[▶ Event Schedule](#)

[▶ Report Selection](#)
[▶ Case Parties](#)

[▶ Case Description](#)
[▶ Docket Entries](#)

East Baton Rouge Parish Clerk of Court Docket Report Results

Report Selection Criteria

Case ID: C523497
 Docket Start Date:
 Docket Ending Date:

Case Description

No case data was found for CaseID: C523497

Charges

No charges were found.

Related Cases

No related cases were found.

Case Event Schedule

No case events where found.

Case Parties

| Seq # | Assoc | End Date | Type | ID | Name | Race | Sex | Birth Date |
|---|-------|----------|-----------|---------|---|---------------|-----|------------|
| 1 | 2 | | Plaintiff | 1271559 | CYPRIEN, GLYNN R. | | | |
| Address: unavailable | | | | | | Aliases: none | | |
| 2 | | | Attorney | BR22679 | YOUNT, SCOTT P | | | |
| Address: PRESTON LAW FIRM 909 POYDRAS ST STE 1800 NEW ORLEANS LA 70112 | | | | | | Aliases: none | | |
| 3 | | | Defendant | 1271560 | BOARD OF SUPERVISORS OF THE UNIV OF LOUISIANA SYS | | | |
| Address: unavailable | | | | | | Aliases: none | | |
| 4 | | | Judge | SD | CLARK, HON JANICE | | | |
| Address: 19TH JUDICIAL DISTRICT COURT 300 NORTH BLVD, RM 10A BATON ROUGE LA 70802 | | | | | | Aliases: none | | |

Docket Entries

| Filing Date | Description | Name | Party Association |
|-------------------------|-------------|--------------------------|-------------------|
| 17-Aug-2004 12:00 AM | PET/OTHER | YOUNT, SCOTT P | CYPRIEN, GLYNN R. |
| Entry: HOLD SERVICE TLS | | | |
| Image: | | Microfilm #: 04607 2037. | |

- record searched on 11/12/2013 3:37:51 PM for user "Public User" -

- [Search Home](#)
- [New Search](#)
- [Report Selection](#)
- [Case Description](#)
- [Related Cases](#)
- [Event Schedule](#)
- [Case Parties](#)
- [Docket Entries](#)



CAPITOL SERVICES

Date: 11/12/2013
Reference: Non-Litigation searches
Copies Requested: Docket Sheet
Page Limit: 30

Searched Through: 11/07/2013
Subject: University Facilities, Inc.
Jurisdiction: 21st District Court, Tangipahoa Parish, LA
Index Searched: Open Litigation by Defendant

| FILE DATE | CASE # | STYLE OF ACTION |
|-----------|--------|-----------------|
|-----------|--------|-----------------|

NONE OF RECORD

PLEASE NOTE THAT OPTING FOR OPEN LITIGATION ONLY SEARCHES MAY LIMIT YOUR ABILITY TO DISCOVER JUDGMENTS AND CASES THAT HAVE MOVED FORWARD IN THE APPEALS PROCESS. FOR A CLOSED LITIGATION SEARCH OR FOR A SEARCH OF THE APPEALS COURTS, PLEASE CONTACT CAPITOL SERVICES, INC.



CERTIFICATE OF INSURANCE

Issue Date November 12, 2013

PRODUCER Office of Risk Management - DOA Post Office Box 91106 Baton Rouge, Louisiana 70821-9106
INSURED State of Louisiana Board of Supervisors for the University of Louisiana System Southeastern Louisiana University SLU Box 10691 Hammond, LA 70402
CORP. NO: 5220

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION AND MAY CONFER RIGHTS UPON THE CERTIFICATE HOLDER BY AMENDING OR EXTENDING THE COVERAGE AFFORDED BY THE POLICIES BELOW AS STATED IN THE DESCRIPTION OF OPERATIONS SECTION.
COMPANY AFFORDING COVERAGE Louisiana Self-Insurance Fund

COVERAGES THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH POLICIES.

Table with columns: CO LTR, TYPE OF INSURANCE, POLICY NUMBER, POLICY EFFECTIVE, POLICY EXPIRATION, LIABILITY LIMITS (EACH OCCURRENCE, AGGREGATE). Rows include General Liability, Automobile Liability, and Workers' Compensation.

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS The Bank of New York Mellon Trust Company and University Facilities, Inc. are added as additional insureds as regards the sole negligence of Southeastern Louisiana University for \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds...

CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICES SHALL IMPOSE NO OBLIGATIONS OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

CERTIFICATE HOLDER AUTHORIZED REPRESENTATIVE

The Bank of New York Mellon Trust Company, N.A. 301 Main Street, Suite 1510 Baton Rouge, LA 70825

Melissa Harris kb MELISSA HARRIS, UNDERWRITING MANAGER

EVIDENCE OF PROPERTY INSURANCE

ISSUE DATE

November 12, 2013

THIS IS EVIDENCE THAT INSURANCE AS IDENTIFIED BELOW HAS BEEN ISSUED, IS IN FORCE, AND CONVEYS ALL THE RIGHTS AND PRIVILEGES AFFORDED UNDER THE POLICY.

| | | |
|--|---|-------------------------------------|
| PRODUCER Office of Risk Management – DOA Post Office Box 91106 Baton Rouge, Louisiana 70821-9106 | COMPANY Louisiana Self Insurance Fund | |
| INSURED : State of Louisiana Board of Supervisors for the University of Louisiana System Southeastern Louisiana University SLU Box 10691 Hammond, LA 70402 ORM AGENCY LOCATION CODE: 5220 | EFFECTIVE DATE (MM-DD-YYYY) | EXPIRATION DATE (MM-DD-YYYY) |
| | 07-01-2013 | 07-01-2014 |

PROPERTY INFORMATION

LOCATION – DESCRIPTION

Proof of coverage for:

- \$40,910,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013
- \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B
- \$5,545,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Phase Four Parking Project) Series 2007A
- \$2,490,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Phase Four Parking Project) Series 2007B

COVERAGE INFORMATION

| POLICY NUMBER | COVERAGES – PERILS - FORMS | AMOUNT OF INSURANCE | | DEDUCTIBLE |
|---------------|--|----------------------------|--------------------------|---|
| BP20132014 | All Risk Broad Form Property Coverage subject to Policy Exclusions and a \$10,000,000 combined single limit per occurrence for all perils except flood and named windstorm which have a \$50,000,000 combined single limit per occurrence. All limits are aggregated except Named Windstorm. Comprehensive Equipment Breakdown (Boiler and Machinery) coverage is provided under this policy with a \$1,000,000 combined single limit per accident. | Building: | Replacement Cost | \$1,000 Per Occurrence-All Perils Excluding Flood |
| | | Contents/Movable Property: | Actual Cash Value | |
| | | Boiler Equipment: | Repair/ Replacement Cost | \$5,000 Per Occurrence-Flood |

REMARKS (INCLUDING SPECIAL CONDITIONS)

\$200,000,000 Excess Property Coverage per occurrence afforded through commercial market.

CANCELLATION

THE POLICY IS SUBJECT TO THE PREMIUMS, FORMS, AND RULES IN EFFECT FOR EACH POLICY PERIOD. SHOULD THE POLICY BE TERMINATED, THE COMPANY WILL GIVE THE ADDITIONAL INTEREST IDENTIFIED BELOW 30 DAYS WRITTEN NOTICE AND WILL SEND NOTIFICATION OF ANY CHANGES TO THE POLICY THAT WOULD AFFECT THAT INTEREST, IN ACCORDANCE WITH THE POLICY PROVISIONS OR AS REQUIRED BY LAW.

ADDITIONAL INTEREST

The Bank of New York Mellon Trust Company, N.A.
 301 Main Street, Suite 1510
 Baton Rouge, LA 70825

NATURE OF INTEREST

MORTGAGEE TRUSTEE LOSS PAYEE

SIGNATURE OF AUTHORIZED REPRESENTATIVE

Melissa Harris kb

**MELISSA HARRIS,
 STATE RISK UNDERWRITING MANAGER**

BOBBY JINDAL
GOVERNOR



KRISTY H. NICHOLS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Risk Management

November 12, 2013

Ms. Patti Dunbar
Jones Walker
8555 United Plaza Blvd
Baton Rouge, LA 70809

Dear Ms. Dunbar:

RE: Certificate of Insurance and
Evidence of Property Insurance Form for
Commercial General Liability
Automobile Liability
Workers' Compensation and Employers' Liability
Property
5220 Southeastern Louisiana University

Attached are an original certificate of insurance and an evidence of property form showing proof of coverage for the Bond Series 2013, 2004B, 2007A, and 2007B between University Facilities, Inc. and the Board of Supervisors for the University of Louisiana System on behalf of Southeastern Louisiana University. Please make copies for your files and record as needed.

If you have any questions, please call me at (225) 342-8598 or send a fax to (225) 342-8473.

Sincerely,

A handwritten signature in cursive script that reads "Kristy Breaux".

Kristy Breaux, CISR
State Risk Underwriting Supervisor

Attachments

ISSUER RECEIPT

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013**

The undersigned acknowledges receipt from Stephens Inc. and Raymond James & Associates, Inc. (collectively, the “*Underwriters*”) of net proceeds of the above-captioned bonds (the “*Bonds*”). The purchase price of the Bonds to be paid by the Purchasers is \$43,927,540.85 (the “*Bond Proceeds*”), representing the principal amount of the Bonds, plus net original issue premium of \$3,314,138.35, less the Underwriters’ discount of \$296,597.50.

In addition to the Bond Proceeds received by you, you are further in receipt of transfer from the Prior Bonds Debt Service Reserve Fund in the amount of \$3,765,837.50 (the “*Prior Bonds Debt Service Reserve Fund Transfer*”), a transfer from the Prior Bonds Debt Service Fund in the amount of \$1,116,138.38 (the “*Prior Bonds Debt Service Fund Transfer*”), a transfer from the Prior Bonds Project Fund in the amount of \$762,582.09 (the “*Prior Bonds Project Fund Transfer*,” together with the Prior Bonds Debt Service Reserve Fund Transfer and the Prior Bonds Debt Service Fund Transfer, the “*Prior Bonds Transfer*”), and a contribution from the Board of the University of Louisiana System on behalf of Southeastern Louisiana University in the amount of \$7,500,000.00 (the “*Board Contribution*”).

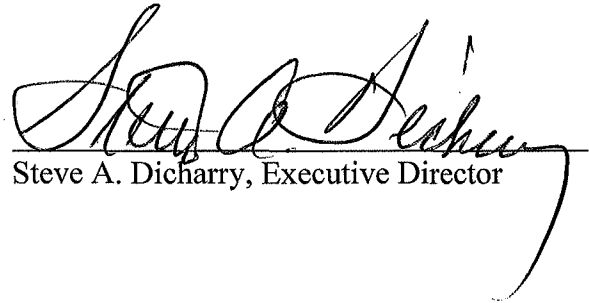
The Bond Proceeds, the Prior Bonds Transfer, and the Board Contribution are to be deposited in accordance with the provisions of that certain Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”), as supplemented and amended by that certain First Supplemental Trust Indenture dated as of November 1, 2013 (the “*First Supplemental Indenture*”) each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Dated: November 13, 2013

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By:



Steve A. Dicharry, Executive Director

BOND RECEIPT

\$40,910,000

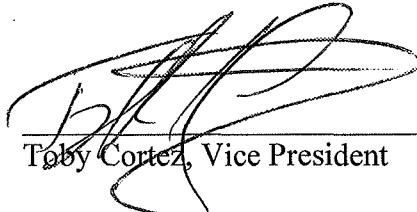
**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013**

The undersigned representative of Stephens Inc., acting on its own behalf and on behalf of Raymond James & Associates, Inc., hereby acknowledges receipt from the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) of its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013, dated November 13, 2013, being in the form of fully registered bonds without coupons, bearing numbers from R-1 upward at fixed rates of interest and maturing in the principal amounts as set forth on Schedule I attached hereto, and as provided in that certain Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”), as supplemented and amended by that certain First Supplemental Trust Indenture dated as of November 1, 2013 (the “*First Supplemental Indenture*”) entered into between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee, all as authorized by the resolutions adopted by the Issuer on August 8, 2012 and October 10, 2012. The Bonds are delivered this date to The Bank of New York Mellon Trust Company, N.A., as an agent of DTC under its Fast Automated Securities Transfer procedures.

Dated: November 13, 2013

Stephens Inc.

By:



Toby Cortez, Vice President

SCHEDULE I

SCHEDULE OF BONDS

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013**

BASE CUSIP 546282

| <u>Bond Number</u> | <u>Maturity (August 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>Price</u> | <u>CUSIP</u> |
|-------------------------------|---------------------------------------|------------------------------------|---------------------------------|---------------------|---------------------|---------------------|
| R-1 | 2014 | \$1,985,000 | 2.000% | 0.600% | 100.999% | VT8 |
| R-2 | 2014 | 700,000 | 3.000% | 0.600% | 101.713% | VU5 |
| R-3 | 2015 | 2,750,000 | 3.000% | 0.870% | 103.620% | VV3 |
| R-4 | 2016 | 2,855,000 | 4.000% | 1.150% | 107.599% | VW1 |
| R-5 | 2017 | 2,970,000 | 4.000% | 1.500% | 109.002% | VX9 |
| R-6 | 2018 | 3,105,000 | 5.000% | 1.900% | 113.919% | VY7 |
| R-7 | 2019 | 3,265,000 | 5.000% | 2.380% | 113.922% | VZ4 |
| R-8 | 2020 | 3,415,000 | 5.000% | 2.780% | 113.512% | WA8 |
| R-9 | 2021 | 3,585,000 | 5.000% | 3.140% | 112.654% | WB6 |
| R-10 | 2022 | 3,775,000 | 5.000% | 3.380% | 112.137% | WC4 |
| R-11 | 2023 | 2,045,000 | 3.250% | 3.570% | 97.388% | WD2 |
| R-12 | 2023 | 1,890,000 | 5.000% | 3.570% | 111.648% | WE0 |
| R-13 | 2024 | 305,000 | 3.500% | 3.720% | 98.066% | WF7 |
| R-14 | 2024 | 1,500,000 | 4.500% | 3.720% | 106.306%* | WG5 |
| R-15 | 2024 | 2,300,000 | 5.000% | 3.720% | 110.352%* | WH3 |

*Priced to August 1, 2023 optional par call

\$4,465,000 4.000% Term Bonds due August 1, 2026, Yield 4.125%, Price 98.767%, CUSIP WJ9

TRUSTEE RECEIPT

\$40,910,000

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT HOUSING / UNIVERSITY
FACILITIES, INC. PROJECT)
SERIES 2013**

The undersigned acknowledges receipt from Stephens Inc. and Raymond James & Associates, Inc. (collectively, the “*Underwriters*”) of net proceeds of the above-captioned bonds (the “*Bonds*”). The purchase price of the Bonds to be paid by the Purchasers is \$43,927,540.85 (the “*Bond Proceeds*”), representing the principal amount of the Bonds, plus net reoffering premium of \$3,314,138.35, less the Underwriters’ discount of \$296,597.50.

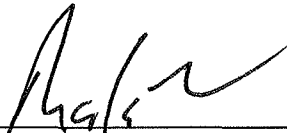
In addition to the Bond Proceeds received by you, you are further in receipt of transfer from the Prior Bonds Debt Service Reserve Fund in the amount of \$3,765,837.50 (the “*Prior Bonds Debt Service Reserve Fund Transfer*”), a transfer from the Prior Bonds Debt Service Fund in the amount of \$1,116,138.38 (the “*Prior Bonds Debt Service Fund Transfer*”), a transfer from the Prior Bonds Project Fund in the amount of \$762,582.09 (the “*Prior Bonds Project Fund Transfer*,” together with the Prior Bonds Debt Service Reserve Fund Transfer and the Prior Bonds Debt Service Fund Transfer, the “*Prior Bonds Transfer*”), and a contribution from the Board of the University of Louisiana System on behalf of Southeastern Louisiana University in the amount of \$7,500,000.00 (the “*Board Contribution*”).

The Bond Proceeds and the Prior Bonds Transfer are to be deposited in accordance with the provisions of that certain Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”), as supplemented and amended by that certain First Supplemental Trust Indenture dated as of November 1, 2013 (the “*First Supplemental Indenture*”) each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Dated: November 13, 2013

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: 

Watson T. Barger, Vice President

NOTICE OF INTENTION TO AMEND TRUST INDENTURE

Relating to

\$60,985,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A

\$15,000,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B

\$925,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Taxable Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004C

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust Department

Ladies and Gentlemen:

Reference is hereby made to that certain Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "*Trustee*"), in connection with the issuance by the Issuer of its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and, together with the Series 2004A Bonds, the "*Bonds*"). Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Original Indenture.

The Issuer desires to supplement and amend the Original Indenture to provide for the issuance of Additional Bonds pursuant to Section 5.1 of the Original Indenture in order to advance refund the Series 2004A Bonds. Section 5.2 of the Original Indenture allows for the execution of supplemental Trust Indentures pursuant to Section 10.1 of the Original Indenture in connection with the issuance of

Refunding Bonds for the purpose of realizing interest savings, without obtaining the consent of any owner of the Bonds then outstanding and without obtaining the consent of the Bond Insurer for the Bonds.

In connection with the issuance of the Additional Bonds, the Issuer and Trustee will enter into a First Supplemental Trust Indenture dated as of November 1, 2013 (the "*First Supplemental Indenture*"). In accordance with Section 10.7 of the Original Indenture, the Issuer hereby requests the Trustee to give notice of the intention of the Issuer and the Trustee to execute such First Supplemental Indenture. The notice is to be sent to MBIA, as Bond Insurer in connection with the Bonds and any Rating Agency by which any of the Bonds are rated, namely, Moody's Investors Service. The form of the Notice is attached hereto as Exhibit A. The execution and delivery of the First Supplemental Indenture shall occur no earlier than fifteen (15) days after the giving of such notice.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Thank you for your attention to this request.

Baton Rouge, Louisiana, this 30th day of October, 2013.

Very truly yours,

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

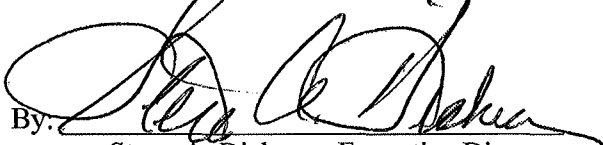
By: 
Steve A. Dicharry, Executive Director

EXHIBIT A

NOTICE TO RATING AGENCY AND BOND INSURER

NOTICE TO RATING AGENCY AND BOND INSURER

Relating to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

and

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

National Public Finance Guarantee Corporation
(as successor to MBIA Insurance Corporation)
113 King Street
Armonk, New York 10504
Attention: Rob Blake, Director
Portfolio Surveillance – Western Division
Re: Policy No. 44754

Standard & Poor's
55 Water Street, 38th Floor
New York, New York 10041
Attention: Bond Insurance Administration

Ladies and Gentlemen:

Reference is hereby made to that certain Trust Indenture dated as of August 1, 2004 by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (the “*Indenture*”) pursuant to which the Issuer’s \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A (the “*Series 2004A Bonds*”), its

\$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the “*Series 2004B Bonds*”) and its \$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004C (the “*Series 2004C Bonds*”) and, together with the Series 2004A Bonds and the Series 2004B Bonds, the “*Series 2004 Bonds*”) were issued. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Indenture.

The proceeds of the Series 2004 Bonds were loaned to University Facilities, Inc. (the “*Corporation*”) pursuant to that certain Loan and Assignment Agreement dated as of August 1, 2004 (the “*Loan Agreement*”) by and between the Issuer and the Corporation to enable the Corporation to demolish outmoded facilities and construct new student housing and related facilities (the “*Facilities*”) for the students of the Southeastern Louisiana University (the “*University*”). The land upon which the Facilities were constructed was leased by the Board of Supervisors for the University of Louisiana System (the “*Board*”) to the Corporation pursuant to that certain the Ground and Buildings Lease Agreement dated as of August 1, 2004 (the “*Original Ground Lease*”), as amended by that certain First Amendment to Ground and Buildings Lease Agreement effective as of March 1, 2007 (the “*First Amendment to Ground Lease*” and, together with the Original Ground Lease, the “*Existing Ground Lease*”), each between the Board and the Corporation. The completed Facilities were leased back to the Board by the Corporation pursuant to the Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the “*Original Facilities Lease*”), as amended by the First Amendment to Lease with Option to Purchase Agreement effective as of March 1, 2007 (the “*First Amendment to Facilities Lease*” and, together with the Original Facilities Lease, the “*Existing Facilities Lease*”), each by and between the Board and the Corporation.

The Issuer desires to supplement and amend the Existing Ground Lease and the Existing Facilities Lease to return the addition of the renovation of Cardinal Newman Hall on the campus of the University to the description of the Facilities so that it may be financed with the remaining proceeds of the Series 2004 Bonds. Section 8.03 of the Loan Agreement allows for the execution of amendments to the Existing Ground Lease and the Existing Facilities Lease, without obtaining the consent of any owner of the Series 2004 Bonds then outstanding but with the consent of the Bond Insurer for the Series 2004 Bonds for the purpose of more clearly identifying the Facilities or to add to or subtract from the Facilities any property. Pursuant to Section 8.10 of the Loan Agreement, notice is hereby given on behalf of the Corporation, that the Board and the Corporation intend to execute and deliver a Second Amendment to Ground and Buildings Lease Agreement (the “*Second Amendment to Ground Lease*”) and a Second Amendment to Agreement to Lease with Option to Purchase (the “*Second Amendment to Facilities Lease*”) in order to revise the description of the Facilities to provide for the renovation of Cardinal Newman Hall.

Such Second Amendment to Ground Lease and Second Amendment to Facilities Lease, forms of which are attached hereto as Exhibit A and Exhibit B, respectively, shall be executed and delivered upon satisfaction of the following:

1. Expiration of fifteen (15) days from the giving of this Notice;
2. Execution of the consent of the Bond Insurer; and
3. Delivery to the Issuer and the Trustee of a favorable opinion of Bond Counsel that the execution and delivery of such Second Amendment to Ground Lease and Second Amendment to Facilities Lease will not have an adverse effect upon the validity of the Series 2004 Bonds and to the effect that such amendments will maintain the exclusion from gross income of interest on the Series 2004A Bonds and the Series 2004B Bonds for federal income tax purposes.

This Notice is given on this ____ day of April, 2012.

UNIVERSITY FACILITIES, INC.

By: _____

EXHIBIT A
FORM OF SECOND AMENDMENT TO GROUND LEASE

EXHIBIT B

FORM OF SECOND AMENDMENT TO FACILITIES LEASE

NOTICE TO RATING AGENCY AND BOND INSURER

Relating to

\$60,985,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A

\$15,000,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B

\$925,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Taxable Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004C

Moody's Investors Service, Inc.
7 World Trade Center
250 Greenwich Street
New York, New York 10007

National Public Finance Guarantee Corporation
(as successor to MBIA Insurance Corporation)
113 King Street
Armonk, New York 10504
Attention: Rob Blake, Director
Portfolio Surveillance – Western Division
Re: Policy No. 44754

Ladies and Gentlemen:

Reference is hereby made to that certain Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "*Trustee*"), in connection with the issuance by the Issuer of its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*")

and, together with the Series 2004A Bonds, the “Bonds”). Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Original Indenture.

The Issuer desires to supplement and amend the Original Indenture to provide for the issuance of Additional Bonds pursuant to Section 5.1 of the Original Indenture in order to advance refund the Series 2004A Bonds. Section 5.2 of the Original Indenture allows for the execution of supplemental Trust Indentures pursuant to Section 10.1 of the Original Indenture in connection with the issuance of Refunding Bonds for the purpose of realizing interest savings, without obtaining the consent of any owner of the Bonds then outstanding and without obtaining the consent of the Bond Insurer for the Bonds. Pursuant to Section 10.7 of the Original Indenture, notice is hereby given at the request of the Issuer, that the Issuer and the Trustee intend to execute and deliver a First Supplemental Trust Indenture dated as of November 1, 2013 (the “*First Supplemental Indenture*”) to allow for the issuance of the Additional Bonds.

Such First Supplemental Indenture, a form of which is attached hereto as Exhibit A, shall be executed and delivered upon satisfaction of the following:

1. Expiration of fifteen (15) days from the giving of this Notice;
2. A copy, duly certified by the Executive Director of the Issuer, of a resolution adopted by the Issuer authorizing the execution and delivery of such First Supplemental Indenture; and
3. Delivery to the Issuer and the Trustee of a favorable opinion of Bond Counsel that the execution and delivery of such First Supplemental Indenture is permitted under the terms of the Original Indenture and complies with the terms thereof.

Should you have any questions regarding the foregoing or the proceedings relating to the Bonds, please contact the Trustee as follows:

The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Watson Barger, Corporate Trust Department

This Notice is given on this 30th day of October, 2013.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

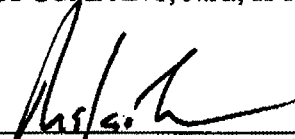
By: 
Watson Barger, Vice President

EXHIBIT A
FORM OF FIRST SUPPLEMENTAL INDENTURE

FORM OF
FIRST SUPPLEMENTAL TRUST INDENTURE

by and between

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(as Trustee)

Dated as of November 1, 2013

in connection with:

\$ _____
Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

TABLE OF CONTENTS

| | |
|--|----|
| Article I DEFINITIONS AND RULES OF CONSTRUCTION | 2 |
| Section 1.1 <u>Definitions</u> | 2 |
| Section 1.2 <u>Rules of Construction</u> | 11 |
| Article II GRANTING CLAUSES | 12 |
| Section 2.1 <u>Granting Clauses</u> | 12 |
| Article III AUTHORIZATION, TERMS AND CONDITIONS OF SERIES 2013 BONDS | 14 |
| Section 3.1 <u>Series 2013 Bonds Issuable Under this Article Only</u> | 14 |
| Section 3.2 <u>Authorization of Series 2013 Bonds</u> | 14 |
| Section 3.3 <u>Form of Series 2013 Bonds</u> | 14 |
| Section 3.4 <u>Redemption of Series 2013 Bonds</u> | 15 |
| Section 3.5 <u>Execution; Limitation of Liability</u> | 16 |
| Section 3.6 <u>Authentication</u> | 17 |
| Section 3.7 <u>Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds</u> | 17 |
| Section 3.8 <u>Registration of Series 2013 Bonds</u> | 17 |
| Section 3.9 <u>Persons Treated as Owners</u> | 18 |
| Section 3.10 <u>Exchange and Transfer of Series 2013 Bonds</u> | 18 |
| Section 3.11 <u>Cancellation and Destruction of Surrendered Series 2013 Bonds</u> | 18 |
| Section 3.12 <u>Delivery of the Series 2013 Bonds</u> | 18 |
| Section 3.13 <u>Book-Entry Registration of Series 2013 Bonds</u> | 19 |
| Article IV FUNDS AND ACCOUNTS; FLOW OF FUNDS; INVESTMENTS; DEPOSITS; ARBITRAGE..... | 21 |
| Section 4.1 <u>Creation and Use of Funds and Accounts</u> | 21 |
| Section 4.2 <u>Series 2013 Bond Proceeds Fund</u> | 21 |
| Section 4.3 <u>Series 2013 Debt Service Fund</u> | 21 |
| Section 4.4 <u>Replacement Fund</u> | 22 |
| Section 4.5 <u>Series 2013 Rebate Fund</u> | 22 |
| Section 4.6 <u>Receipts Fund</u> | 22 |
| Section 4.7 <u>Series 2013 Debt Service Reserve Fund</u> | 24 |
| Section 4.8 <u>Surplus Fund</u> | 24 |
| Section 4.9 <u>Investments</u> | 25 |
| Section 4.10 <u>Depository of Moneys and Security for Deposits</u> | 25 |
| Section 4.11 <u>Arbitrage</u> | 26 |
| Section 4.12 <u>Amounts Remaining in Funds; Releases</u> | 26 |
| Section 4.13 <u>Application of Moneys in the Series 2013 Debt Service Reserve Fund</u> | 26 |
| Section 4.14 <u>Application of Insurance Proceeds; Condemnation Award</u> | 27 |
| Section 4.15 <u>Application of Money in the Replacement Fund</u> | 28 |
| Section 4.16 <u>Application of Money in the Surplus Fund</u> | 28 |
| Section 4.17 <u>Application of Moneys in the Series 2013 Rebate Fund</u> | 29 |
| Article V ADDITIONAL BONDS | 29 |
| Section 5.1 <u>Additional Bonds</u> | 29 |
| Article VI COSTS OF ISSUANCE | 29 |
| Section 6.1 <u>Payment of Costs of Issuance from Series 2013 Bond Proceeds Fund</u> | 29 |

| | |
|---|-------------------------------------|
| Article VII ENFORCEMENT OF LOAN AGREEMENT AND FACILITIES LEASE | 29 |
| Section 7.1 <u>Assignment of Loan Agreement and Facilities Lease</u> | 29 |
| Section 7.2 <u>Trustee or Bondholders to Enforce Loan Agreement, Facilities Lease and Act of Mortgage</u> | 29 |
| Article VIII EVENTS OF DEFAULT; REMEDIES | 30 |
| Section 8.1 <u>No Extension of Time for Payment of Principal, Premium or Interest</u> | 30 |
| Section 8.2 <u>Events of Default</u> | 30 |
| Section 8.3 <u>Remedies</u> | 31 |
| Section 8.4 <u>Acceleration; Annulment of Acceleration</u> | 31 |
| Section 8.5 <u>Insufficiency in the Series 2013 Debt Service Fund; Application of Moneys</u> | 31 |
| Section 8.6 <u>Discontinuance of Proceedings</u> | 33 |
| Section 8.7 <u>Appointment of Receiver</u> | Error! Bookmark not defined. |
| Section 8.8 <u>Remedies Not Exclusive</u> | 33 |
| Section 8.9 <u>Remedies Vested in Trustee</u> | 33 |
| Section 8.10 <u>Majority of Bondholders Control Proceedings</u> | Error! Bookmark not defined. |
| Section 8.11 <u>Individual Bondholder Action Restricted</u> | 33 |
| Section 8.12 <u>Waiver and Non-Waiver of Event of Default</u> | 33 |
| Section 8.13 <u>Notice of Defaults</u> | 33 |
| Section 8.14 <u>Opportunity of Corporation to Cure Certain Defaults</u> | 34 |
| Article IX CONCERNING THE TRUSTEE | 34 |
| Section 9.1 <u>Acceptance of Trusts</u> | 34 |
| Section 9.2 <u>Trustee Entitled to Indemnity</u> | 36 |
| Section 9.3 <u>Trustee Not Responsible for Insurance, Taxes, Execution of Supplemental Indenture, Acts of the Authority or Application of Moneys Applied in Accordance with this Supplemental Indenture</u> | 36 |
| Section 9.4 <u>Compensation</u> | 37 |
| Section 9.5 <u>Trustee to Preserve Records</u> | 37 |
| Section 9.6 <u>Trustee May be Bondholder</u> | 37 |
| Section 9.7 <u>Trustee Not Responsible for Recitals</u> | 37 |
| Section 9.8 <u>Trustee Responsible for Reinscription</u> | 37 |
| Section 9.9 <u>Trustee May Rely on Certificates</u> | 37 |
| Section 9.10 <u>Qualification of the Trustee</u> | Error! Bookmark not defined. |
| Section 9.11 <u>Resignation and Removal of Trustee</u> | Error! Bookmark not defined. |
| Section 9.12 <u>Successor Trustee</u> | Error! Bookmark not defined. |
| Section 9.13 <u>Co-Trustee</u> | Error! Bookmark not defined. |
| Section 9.14 <u>Disclosure Documents</u> | Error! Bookmark not defined. |
| Section 9.15 <u>Electronic Instructions</u> | Error! Bookmark not defined. |
| Article X SUPPLEMENTAL INDENTURES | Error! Bookmark not defined. |
| Section 10.1 <u>Supplemental Indentures Not Requiring Consent of Bondholders</u> .. | Error! Bookmark not defined. |
| Section 10.2 <u>Supplemental Indentures Requiring Consent of Bondholders</u> .. | Error! Bookmark not defined. |
| Section 10.3 <u>Filing</u> | Error! Bookmark not defined. |
| Section 10.4 <u>Reliance on Counsel</u> | Error! Bookmark not defined. |
| Section 10.5 <u>Supplement Binding</u> | Error! Bookmark not defined. |

| | | |
|---------------|--|-------------------------------------|
| Section 10.6 | <u>Supplemental Agreement</u> | Error! Bookmark not defined. |
| Section 10.7 | <u>Notice to Rating Agencies</u> | Error! Bookmark not defined. |
| Article XI | COVENANTS OF AUTHORITY | 38 |
| Section 11.1 | <u>Payment of Principal, Premium and Interest</u> | 38 |
| Section 11.2 | <u>Additional Security</u> | 38 |
| Section 11.3 | <u>Cure Title Defects</u> | 38 |
| Section 11.4 | <u>Defend Against Actions</u> | 38 |
| Section 11.5 | <u>Non-Impairment of Security</u> | 39 |
| Section 11.6 | <u>Authority’s Obligation Limited</u> | 39 |
| Article XII | DEFEASANCE | 39 |
| Section 12.1 | <u>Payment</u> | 39 |
| Section 12.2 | <u>Provision for Payment</u> | 39 |
| Section 12.3 | <u>Certifications</u> | 40 |
| Article XIII | MISCELLANEOUS..... | 40 |
| Section 13.1 | <u>Covenants of Authority Binds its Successors</u> | 40 |
| Section 13.2 | <u>Preservation and Inspection of Documents</u> | 40 |
| Section 13.3 | <u>Parties Interest Herein</u> | 40 |
| Section 13.4 | <u>No Recourse on the Series 2013 Bonds</u> | 40 |
| Section 13.5 | <u>Severability</u> | 40 |
| Section 13.6 | <u>Consents and Approvals</u> | 41 |
| Section 13.7 | <u>Notices</u> | 41 |
| Section 13.8 | <u>Notices to Bondholders</u> | 42 |
| Section 13.9 | <u>Applicable Law</u> | 42 |
| Section 13.10 | <u>Captions</u> | 42 |
| Section 13.11 | <u>Supplemental Indenture to Constitute a Contract</u> | 42 |
| Section 13.12 | <u>Performance on Legal Holidays</u> | 42 |
| Section 13.13 | <u>Continuing Disclosure Certificates</u> | 42 |

EXHIBIT A – FORM OF SERIES 2013 BOND

FIRST SUPPLEMENTAL TRUST INDENTURE

This FIRST SUPPLEMENTAL TRUST INDENTURE dated as of November 1, 2013 (the “*Supplemental Indenture*”), is between the LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY, a political subdivision of the State of Louisiana (the “*Authority*”), and The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing by virtue of the laws of the United States of America and duly authorized to accept and execute trusts, as trustee (the “*Trustee*”) and supplements and amends that certain Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee (the “*Original Indenture*”).

WITNESSETH:

WHEREAS, the Authority is a political subdivision established for public purposes under and pursuant to the provisions of Chapter 10-D of Title 33 (the “*LCDA Act*”), and other constitutional and statutory authority;

WHEREAS, Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456) (the “*Refunding Act*” and, together with the LCDA Act, the “*Act*”), authorize the issuance of refunding bonds of the Authority;

WHEREAS, the Act empowers the Authority to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act;

WHEREAS, pursuant to the Original Indenture and in accordance with the provisions of the Act, the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and, together with the Series 2004A Bonds, the “*Series 2004 Bonds*”) on behalf of University Facilities Inc., a Louisiana non-profit corporation (the “*Corporation*”), for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University;

WHEREAS, the Corporation has requested that the Authority issue its \$_____ Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”) to refund all of the outstanding Series 2004A Bonds (the “*Refunded Bonds*”), such Series 2013 Bonds to be issued on a parity with the Series 2004B Bonds (the “*Unrefunded Bonds*”);

WHEREAS, the Authority is authorized under the provisions of the Act and other constitutional and statutory authority to issue refunding bonds for such purposes and the Authority has determined that it is most advantageous to the Authority and necessary for it to issue its Series 2013 Bonds as hereinafter provided for such purposes;

WHEREAS, pursuant to Section 5.2 of the Original Indenture, Refunding Bonds may be issued to refund all or a portion of the Series 2004 Bonds pursuant to a supplement to the Original Indenture without the consent of the Series 2004 Bond Insurer (as hereinafter defined);

WHEREAS, the proceeds of the sale of the Series 2013 Bonds shall be loaned to the Corporation pursuant to that Loan and Assignment Agreement dated as of August 1, 2004 (the “*Original Loan Agreement*”), as supplemented by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the “*First Supplemental Loan Agreement*” and, together with the Original Loan Agreement, the “*Loan Agreement*”), each between the Corporation and the Authority, for the purpose of (i) refunding the Refunded Bonds (as hereinafter defined) and (ii) paying the costs of issuance of the Series 2013 Bonds;

WHEREAS, pursuant to the Loan Agreement, the Corporation has assigned its rights under that certain Facilities Lease (as defined herein) pursuant to which the Corporation is leasing the Facilities to the Board including its right to all Base Rentals received thereunder, to the Authority, and has agreed to make payments in an amount sufficient to make timely payments of principal of, premium, if any, and interest on the Bonds (as defined herein), and to pay such other amounts as are required by the Loan Agreement;

WHEREAS, the Corporation, as Lessee, has leased the Property from the Board, as Lessor, upon which the Facilities were constructed for the Board pursuant to an Amended and Restated Ground Lease Agreement dated as of November 1, 2013 between the Board and the Corporation (the “*Ground Lease*”);

WHEREAS, the fully registered Series 2013 Bonds and the certificate of authentication by the Trustee to be endorsed thereon for the Series 2013 Bonds are to be in substantially the form attached as Exhibit A hereto with all necessary and appropriate variations, omissions and insertions as permitted or required under this Supplemental Indenture;

WHEREAS, all acts, conditions and things required by the laws of the State to happen, exist and be performed precedent to and in the execution and delivery of this Supplemental Indenture have happened, exist and have been performed as so required in order to make this Supplemental Indenture a valid and binding agreement in accordance with its terms;

WHEREAS, the execution and delivery of this Supplemental Indenture have been duly authorized by the Authority and the Trustee; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Supplemental Indenture and the parties are now prepared to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Authority and the Trustee hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. Except as provided in Section 1.2 below, capitalized terms not otherwise defined herein shall have the meanings assigned thereto in this Supplemental Indenture, the Original Indenture or in the Loan Agreement. In addition to words and terms elsewhere defined in this Supplemental Indenture, the following words and terms as used herein shall have the following meanings, unless some other meaning is plainly intended:

“*Act*” means, collectively, the LCDA Act and the Refunding Act.

“*Additional Bonds*” shall mean bonds issued on a parity with the Series 2004B Bonds and the Series 2013 Bonds in one or more series pursuant to Section 26 of the Facilities Lease and Article V of the Indenture.

“*Authority*” means the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana, created by the provisions of the Act, or any agency, board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the Authority by said provisions shall be given by law.

“*Authorized Authority Representative*” means the person(s) at the time designated to act under the Loan Agreement and this Supplemental Indenture on behalf of the Authority by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person(s) and signed on behalf of the Authority by the Chairman, Vice Chairman, Executive Director or Assistant Secretary of the Authority. Such certificate may designate an alternate or alternates.

“*Authorized Corporation Representative*” means the President or Secretary/Treasurer of the Corporation.

“*Authorized Denomination*” means \$5,000 or any integral multiple thereof.

“*Beneficial Owner*” means, so long as a book-entry system of registration is in effect pursuant to Section 3.13 hereof, the actual purchaser of the Series 2013 Bonds.

“*Board*” means the Board of Supervisors for the University of Louisiana System or its legal successor as the management board of the University, acting on behalf of the University, and on its own behalf.

“*Board Contribution*” means the funds deposited by the Board with the Trustee on or prior to the Closing Date.

“*Board Documents*” means the Ground Lease and the Facilities Lease, as they may be amended or supplemented from time to time.

“*Bond Documents*” means the Indenture, the Loan Agreement, the Facilities Lease, the Ground Lease and the Mortgage, as each may be amended or supplemented from time to time.

“*Bond Register*” means, when used with respect to the Series 2013 Bonds, the registration books maintained by the Trustee pursuant to Section 3.8 of this Supplemental Indenture.

“*Bonds*” means the Series 2004B Bonds, the Series 2013 Bonds and any Additional Bonds.

“*Bondholder*” or “*owner*” when used with reference to a Series 2013 Bond, means the registered owner of any Outstanding Series 2013 Bond.

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“*Closing Date*” means the date on which the Series 2013 Bonds are delivered and payment therefor is received by the Authority.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

“*Corporation*” means University Facilities, Inc., a non-profit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation until payment or provision for the payment of all of the Bonds.

“*Debt Service Reserve Fund Investment*” means a surety bond, insurance policy or letter of credit meeting the requirements of Section 4.13(d) hereof.

“*Defeasance Obligations*” means noncallable direct obligations of the United States of America (including direct obligations of the United States of America that have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities) or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

“*DTC*” or “*Securities Depository*” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depositories appointed pursuant to this Supplemental Indenture.

“*Escrow Deposit Agreement*” means that certain Escrow Deposit Agreement dated as of November 1, 2013 by and between the Authority and the Escrow Trustee.

“*Escrow Fund*” means the Escrow Fund established by the Escrow Deposit Agreement to be held by the Escrow Trustee for the purpose of paying the Redemption Price of the Refunded Bonds.

“*Escrow Trustee*” means The Bank of New York Mellon Trust Company, N.A., in its capacity as escrow agent pursuant to the Escrow Deposit Agreement.

“*Facilities*” means the facilities and offices described in Exhibit A to the Loan Agreement, as amended and supplemented in accordance with the provisions of the Loan Agreement, that were designed, constructed, renovated and equipped with the proceeds of the Series 2004 Bonds, including all furnishings, fixtures and equipment incidental or necessary in connection therewith, on the campus of the University.

“*Facilities Lease*” means the Amended and Restated Facilities Lease dated as of November 1, 2013 between the Corporation and the Board, including any additional supplements and amendments thereto and thereof.

“*Fiscal Year*” means any period of twelve consecutive months adopted by the Corporation as its Fiscal Year for financial reporting purposes, currently the period beginning on January 1 and ending on December 31 of each year.

“*Fitch Ratings*” means Fitch Ratings, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch ratings” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, with the consent of the Corporation.

“*Ground Lease*” means the Amended and Restated Ground and Buildings Lease Agreement dated as of November 1, 2013 by and between the Board, as Lessor on behalf of the University, and the Corporation, as Lessee, whereby the Property is leased by the Board to the Corporation, and any amendment or supplement thereto entered into from time to time in accordance with the terms thereof.

“*Indenture*” means the Original Indenture as supplemented and amended by this Supplemental Indenture, as it may be further amended or supplemented from time to time by supplemental indentures or in accordance with the provisions of the Original Indenture.

“*Interest Account*” means the Interest Account within the Series 2013 Debt Service Fund created pursuant to Article IV of this Supplemental Indenture.

“*Interest Payment Date*” or “*interest payment date*” when used with respect to the Series 2013 Bonds, means each February 1 and August 1, commencing February 1, 2014.

“*LCDA Act*” means Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33: 4548.1 to 4548.16, inclusive) and all future acts supplemental thereto and amendatory thereof.

“*Loan*” means the aggregate amount of moneys loaned to the Corporation pursuant to the Supplemental Loan Agreement.

“*Loan Agreement*” means, collectively, the Original Loan Agreement, as supplemented and amended by the Supplemental Loan Agreement.

“*Management Agreement*” means any Management Agreement or similar agreement, between the Management Company and the Corporation, as approved by the Board, and any successor contract for the management of the Facilities.

“*Management Company*” means any entity employed to manage the facilities under any Management Agreement.

“*Management Fee*” means, if any, the fee owed to the Management Company of the Facilities pursuant to the Management Agreement in place from time to time between the Management Company and the Corporation, as agent for the Board.

“*Moody’s*” means Moody’s Investors Service, a Delaware corporation, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “*Moody’s*” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority with the approval of the Corporation.

“*Mortgage*” means the Mortgage and Security Agreement and Assignment of Leases and Rents dated as of August 13, 2004 by the Corporation in favor of the Trustee.

“*Operating Expenses*” means the current expenses of operation, maintenance and current repair of the Facilities, as calculated in accordance with Generally Accepted Accounting Principles, and includes, without limiting the generality of the foregoing, insurance premiums, reasonable accounting and legal fees and expenses relating to the Facilities and the ownership thereof by the Board, payments with respect to worker’s compensation claims not otherwise covered by insurance, any payments due from the Board under the Facilities Lease, the

Agreement or this Supplemental Indenture, any Rebate Amount, amounts payable by the Corporation under the Agreement or the Mortgage (other than the principal of, premium, if any, and interest on the Bonds); administrative expenses of the Authority (including fees and expenses of the Trustee and counsel fees and expenses) relating solely to the Facilities, the cost of materials and supplies used for current operations, taxes and charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with sound accounting practice. “*Operating Expenses*” will not include (1) the Management Fee, but only to the extent that the same is subordinate to the payment of the payments to the same extent as set forth in the initial Management Agreement; (2) the principal of and interest on the Bonds; (3) any allowance for depreciation or replacements of capital assets of the Facilities; or (4) amortization of financing costs.

“*Original Indenture*” means that certain Trust Indenture dated as of August 1, 2004 between the Authority and the Trustee pursuant to which the Series 2004 Bonds were issued.

“*Original Loan Agreement*” means that certain Loan and Assignment Agreement dated as of August 1, 2004 between the Authority and the Corporation.

“*Outstanding*” or “*outstanding*,” when used with reference to the Bonds, means all such bonds that have been authenticated and issued under the Indenture except those:

- (a) canceled by the Trustee pursuant to the Indenture;
- (b) for the payment of which moneys or Defeasance Obligations shall be held in trust for their payment by the Trustee as provided in the defeasance provisions of the Indenture;
- (c) that have been duly called for redemption and for which the redemption price thereof is held in trust by the Trustee as provided in the Indenture;
- (d) in exchange for which other Bonds shall have been authenticated and delivered by the Trustee as provided in the Indenture; and
- (e) for all purposes regarding consents and approvals or directions of Bondholders under the Loan Agreement or the Indenture, held by or for the Authority, the Corporation or any person controlling, controlled by or under common control with either of them.

“*Participant*” means any broker-dealer, bank and other financial institution from time to time for which DTC holds Series 2013 Bonds as securities depository.

“*Payments*” means the amounts of repayments under the Supplemental Loan Agreement with respect to the Series 2013 Bonds to be made by the Corporation as provided in Article IV of the Supplemental Loan Agreement.

“*Permitted Investments*” means the following securities:

To the extent permitted by State law, the following obligations may be used as permitted investments for all purposes, including defeasance investments in refunding escrow accounts:

- (a) Cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the next paragraph).

(b) Direct obligations of (including obligations issued or held in book entry form on the books of the Department of Treasury) the United States of America. In the event these securities are used for defeasance, they shall be non-callable and non-prepayable.

(c) Obligations of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America (in the event these securities are used for defeasance, they shall be non-callable and nonprepayable):

- (i) U.S. Export-Import Bank (Eximbank);
- (ii) Rural Economic Community Development Administration;
- (iii) Federal Financing Bank;
- (iv) U.S. Maritime Administration;
- (v) U.S. Department of Housing and Urban Development (PHAs);
- (vi) General Services Administration;
- (vii) Small Business Administration;
- (viii) Government National Mortgage Association (GNMA);
- (ix) Federal Housing Administration; and
- (x) Farm Credit System Financial Assistance Corporation.

To the extent permitted by law, the following obligations may be used as permitted investments for all purposes other than defeasance investments in refunding escrow accounts:

(a) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- (i) Senior debt obligations rated in the highest long-term rating category by at least two nationally recognized rating agencies issued by Fannie Mae (FNMA) or Freddie Mac (FHLMC).
- (ii) Senior debt obligations of the Federal Home Loan Bank System.
- (iii) Senior debt obligations of other Government Sponsored Agencies.

(b) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which either (i) have a rating on their short-term certificates of deposit on the date of purchase in the highest short-term rating category of at least two nationally recognized rating agencies, (ii) are insured at all times by the Federal Deposit Insurance Corporation, or (iii) are collateralized with direct obligations of the United States of America at one hundred two percent (102%) valued daily. All such certificates must mature no more than three hundred sixty (360) days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank).

(c) Commercial paper which is rated at the time of purchase in the highest short-term rating category of at least two (2) nationally recognized rating agencies and which matures not more than two hundred seventy (270) days after the date of purchase.

(d) Investments in (i) money market funds subject to SEC Rule 2a-7 and rated in the highest short-term rating category of at least two nationally recognized rating agencies and (ii) public sector investment pools operated pursuant to SEC Rule 2a-7 in which the Authority's deposit shall not exceed 5% of the aggregate pool balance at any time and such pool is rated in one of the two highest short-term rating categories of at least two nationally recognized rating agencies.

(e) Pre-refunded municipal obligations defined as follows: (i) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and, a. which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest long-term rating category of at least two (2) nationally recognized rating agencies; or (ii) (A) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

(f) Bonds, debentures, notes, or other evidence of indebtedness issued by the state of Louisiana or any of its political subdivisions (other than the Authority); however:

(i) The indebtedness shall have a minimum investment grade rating of Baa3 or higher by Moody's, a rating of BBB- or higher by the S&P or a rating of BBB- or higher by Fitch, Inc.

(g) Bonds, debentures, notes, or other indebtedness issued by a state of the United States of America other than Louisiana or any such state's political subdivisions provided that all of the following conditions are met:

(i) The indebtedness has a minimum rating of A3 or higher by Moody's or a rating of A- or higher by S&P or a rating of A- or higher by Fitch, Inc.

(ii) Prior to purchase of any such indebtedness and at all times during which such indebtedness is owned, the Authority or the Corporation retains the services of an investment advisor registered with the United States Securities and Exchange Commission.

(h) Investment agreements supported by appropriate opinions of counsel.

(i) Other forms of investments (including repurchase agreements) supported by appropriate opinions of counsel.

The value of the above investments, other than cash, shall be determined as follows:

“*Value*”, which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

(a) As to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) As to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) As to certificates of deposit and bankers acceptances, the face amount thereof, plus accrued interest; and

(d) As to any investment not specified above, the value thereof established by prior agreement among the Authority and the Trustee.

“*Principal Account*” means the Principal Account within the Series 2013 Debt Service Fund created pursuant to Article IV of this Supplemental Indenture.

“*Property*” means the immovable property more particularly described in Exhibit A attached to the Ground Lease and all Improvements now or thereafter located thereon, including the Facilities, together with all other rights and interests leased pursuant thereto.

“*Receipts Fund*” means the fund of that name held by the Trustee pursuant to Article IV of the Original Indenture.

“*Record Date*” means the fifteenth calendar day of the month next preceding an Interest Payment Date, or, if such day shall not be a Business Day, the next preceding Business Day.

“*Redemption Date*” means August 1, 2014, the date on which all Refunded Bonds will be redeemed.

“*Redemption Price*” means the amount necessary to pay the principal of and interest on the Refunded Bonds to the Redemption Date.

“*Refunded Bonds*” means the Series 2004A Bonds.

“*Refunding Act*” means Chapter 14 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1441 through 1456).

“*Replacement Fund*” shall mean the Replacement Fund held by the Trustee pursuant to the Indenture.

“*Series 2004 Bond Insurer*” means MBIA Insurance Corporation, as insurer for the Series 2004 Bonds, and any successor thereto.

“*Series 2004 Bonds*” means, collectively, the Series 2004A Bonds and the Series 2004B Bonds.

“*Series 2004 Debt Service Fund*” means the Debt Service Fund created pursuant to the Original Indenture.

“*Series 2004 Debt Service Reserve Fund*” shall mean the Debt Service Reserve Fund held by the Trustee pursuant to the Original Indenture.

“*Series 2004A Bonds*” means the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004A.

“*Series 2004B Bonds*” means the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2004B.

“*Series 2013 Bond Proceeds Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Bonds*” means the \$_____ Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013, and such bonds issued in exchange for those issued pursuant to this Supplemental Indenture, or in replacement for those issued pursuant to this Supplemental Indenture, which bonds have been mutilated, destroyed, lost or stolen.

“*Series 2013 Costs of Issuance Account*” means the account of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Reserve Fund*” means the fund of that name created under Section 4.1 of this Supplemental Indenture.

“*Series 2013 Debt Service Reserve Fund Requirement*” means one-half (1/2) of the least of (a) ten percent (10%) of the stated principal amount of the Series 2013 Bonds, (b) one hundred twenty-five percent (125%) of the average Annual Debt Service on the Series 2013 Bonds from the date of calculation to the final maturity thereof or (c) the Maximum Annual Debt Service with respect to the Series 2013 Bonds. **[Being discussed with prior Bond Insurer]**

“*Series 2013 Rebate Fund*” means the fund of that name created under Section 4.1 of this Second Supplemental Indenture.

“*S&P*” or “*Standard & Poor’s Ratings Group*” mean Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “*S&P*” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority with the approval of the Corporation.

“*State*” means the State of Louisiana.

“*Supplemental Indenture*” means this First Supplemental Trust Indenture dated as of November 1, 2013 between the Authority and the Trustee, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions hereof.

“*Supplemental Loan Agreement*” the First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 between the Authority and the Corporation, as the same may be amended or supplemented from time to time by supplemental indentures in accordance with the provisions thereof

“*Tax Regulatory Agreement*” means the Tax Regulatory Agreement and Arbitrage Certificate dated the Closing Date, among the Corporation, the Board, the Trustee and the Authority.

“*Trust Estate*” means all the property assigned by the Authority to the Trustee pursuant to the Indenture as security for the Bonds.

“*Trustee*” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Supplemental Indenture that may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of the Indenture, initially The Bank of New York Mellon Trust Company, N.A.

“*University*” means Southeastern Louisiana University in Hammond, Louisiana.

Section 1.2 Rules of Construction. The following rules shall apply to the construction of this Supplemental Indenture unless the context requires otherwise: (a) the singular includes the plural and the plural, the singular; (b) words importing any gender include the other genders; (c) references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute to which reference is made and all regulations promulgated pursuant to such statutes; (d) references to “writing” include printing, photocopying, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation”; (f) references to the introductory paragraph, preliminary statements, articles, sections (or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Supplemental Indenture unless otherwise indicated; (g) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent that such amendments and other modifications are permitted or not prohibited by the terms of this Supplemental Indenture; (h) references to Persons include their respective successors and assigns permitted or not prohibited by the terms of this Supplemental Indenture; (i) an accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles; (j) “or” is not exclusive; (k) provisions apply to successive events and transactions; (l) references to documents or agreements which have been terminated or released or which have expired shall be of no force and effect after such termination, release or expiration; (m) references to mail shall be deemed to refer to first-class, postage prepaid, unless another type of mail is specified; (n) all references to time shall be to Baton Rouge, Louisiana time; (o) references to specific persons, positions or officers shall include those who or which succeed to or perform their respective functions, duties or responsibilities referred to in the Bond proceedings; (p) the terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms refer to this Supplemental Indenture as a whole and not to any particular article, section or subdivision hereof; and the term “heretofore” means before the date of adoption of this Supplemental Indenture, the term “now” means at the date of adoption of this Supplemental Indenture, and the term “hereafter” means after the date of adoption of this Supplemental Indenture; and (q) references to payments of principal include any premium payable on the same date.

ARTICLE II
GRANTING CLAUSES

Section 2.1 Granting Clauses. In consideration of the acceptance by the Trustee of the trusts and duties set forth in this Supplemental Indenture on behalf of the owners of all Series 2013 Bonds issued and secured hereunder; of the purchase and acceptance of the Series 2013 Bonds issued and secured by this Supplemental Indenture by the owners thereof; of the payment of the purchase price of the Series 2013 Bonds to the Trustee for application as provided hereinafter; and in order to secure the payment of any and all Series 2013 Bonds at any time Outstanding hereunder, according to the tenor and effect thereof and the premium and interest thereon, the payment of all costs, fees and charges specified herein, and the payment of all other sums if any, from time to time due to the owners of all Series 2013 Bonds secured hereunder and to the Trustee or its successors and assigns, or to others, according to the intent and meaning of all such Series 2013 Bonds and this Supplemental Indenture, up to a maximum principal amount of \$ _____, and for the purpose of securing the performance and observance by the Authority of all the covenants and conditions herein contained, the Authority does hereby TRANSFER, ASSIGN AND DELIVER TO AND IN FAVOR OF the Trustee, and its successor or successors in trust, for the benefit of the owners of all Series 2013 Bonds secured hereunder on a parity basis with the Series 2004 Bonds and any Additional Bonds, its interest in the following described properties, rights, interests and benefits, together with its leasehold interest in the immovable property subject to the Mortgage, which are collectively called the “*Trust Estate*” for purposes of the Indenture:

All right, title and interest of the Authority in, to and under the Loan Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), all payments, proceeds, revenues, income, receipts, issues, benefits and other moneys received or derived by the Authority under the Loan Agreement including, without limitation, the Payments to be paid by the Corporation to the Trustee for the account of the Authority pursuant to Section 4.2 of the Loan Agreement;

All right, title and interest of the Authority in, to and under the Ground Lease and the Facilities Lease assigned by the Corporation to the Authority under the Loan Agreement, including without limitation its right to receive Base Rental payable under the Facilities Lease, (except for payments of Additional Rental made under the Facilities Lease) and all proceeds of insurance received or receivable by the Corporation, on behalf of the Board, as a result of any damage to or destruction of the Facilities, or any part thereof, all amounts received or receivable by the Corporation, on behalf of the Board, as compensation for the taking or transfer of the Facilities, or any part thereof, in lieu of a taking or use of the Facilities, under the powers of eminent domain, but only to the extent that such proceeds, award or compensation is not used for the restoration, repair or reconstruction of the Facilities to which such proceeds, award or compensation is attributable, all amounts received or receivable by the Corporation, on behalf of the Board, from the sale of the Facilities, or any part thereof, all amounts collected under payment and performance bonds, if any, maintained with respect to the Facilities, and any and all additional revenues, income, receipts and other payments (including, without limitation, grants, donations, gifts and appropriations received from any private or public source) that hereafter are received by the Corporation, on behalf of the Board, for or relating to the Facilities or that hereafter may be assigned by the Corporation pursuant to the Loan Agreement, which receipt shall not affect the tax-exempt status of the Series 2013 Bonds;

All cash, moneys, securities and investments that may at any time and from time to time, pursuant to the provisions of the Indenture, be paid to the Trustee or be in the hands of the Trustee, except for moneys in the Rebate Fund and except as the interest of said Trustee in such cash, moneys, securities and investments may otherwise appear in the Indenture, provided, however, that nothing in the Indenture shall be construed to affect any property held by the Trustee in any capacity other than as Trustee hereunder; and

To the extent not covered by the clauses above, all proceeds of any and all of the foregoing.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successor or successors and assigns forever; in trust, nevertheless subject to the terms and conditions and trusts herein set forth, for the equal benefit, security and protection of all and singular the present and future owners of all of the Series 2013 Bonds issued under and secured by this Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, except as may otherwise be provided herein, of any one Series 2013 Bond over any other Series 2013 Bond or of principal over interest or interest over principal, all as herein provided, and for the uses and purposes, and upon the terms, agreements and conditions set forth herein.

The Trust Estate assigned hereunder is also assigned to secure the payment of any and all sums which the Trustee may expend or become obligated to expend (including but not limited to court costs and attorneys' fees) to preserve and protect any of the Trust Estate or to cure any default of the Corporation under the Loan Agreement or arising out of any such default or incident of delay in payment of sums and the performance of obligations thereunder, or in pursuing or exercising any right, rights, remedy or remedies consequent upon the default of the Corporation thereunder.

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay, or cause to be paid, or provide for the payment pursuant to the provisions of this Supplemental Indenture, the principal of the Series 2013 Bonds, premium, if any, and the interest due or to become due thereon, at the times and in the manner set forth in the Series 2013 Bonds and this Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and agreements as provided in and pursuant to the terms of this Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such performance and payments this Supplemental Indenture and the rights created hereby shall cease, terminate and be void as provided in Article XII hereof; otherwise this Supplemental Indenture shall be and remain in full force and effect.

The Authority hereby covenants and agrees with, and does hereby covenant unto the Trustee, that it has good right and lawful authority to transfer and assign the Trust Estate (subject to the rights and liens previously granted to secure the Series 2004 Bonds) to the extent and in the manner herein provided; that the Authority will not suffer any lien or encumbrance to exist upon the Trust Estate, or any part thereof, superior to the security or lien to accrue or be created under this Supplemental Indenture; or do or suffer any act or thing whereby the security hereof may be diminished or impaired; and the Authority further does covenant, and by these presents hereby covenants and agrees to defend or cause to be defended forever the title to each and every part of said Trust Estate against the claims and demands of all persons whomsoever.

THIS SUPPLEMENTAL INDENTURE FURTHER WITNESSETH and it is expressly declared that all Series 2013 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of said Trust Estate hereby conveyed, transferred, assigned, confirmed, pledged and encumbered is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant with the Trustee and with the respective owners, from time to time, of the Series 2013 Bonds, or any part thereof as follows:

ARTICLE III
AUTHORIZATION, TERMS AND CONDITIONS OF SERIES 2013 BONDS

Section 3.1 Series 2013 Bonds Issuable Under this Article Only. No Series 2013 Bonds may be issued under the provisions of this Supplemental Indenture except in accordance with the provisions of this Article.

Section 3.2 Authorization of Series 2013 Bonds.

(a) There is hereby authorized and issued under this Supplemental Indenture \$_____ aggregate principal amount of bonds to be known as “Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Southeastern Louisiana University Student Housing / University Facilities, Inc. Project) Series 2013” on a parity with the Series 2004B Bonds, and any Additional Bonds issued in various series from time to time, for the purpose of (i) refunding the Refunded Bonds and (ii) paying the costs of issuance of the Series 2013 Bonds.

(b) The Series 2013 Bonds are issuable as fully registered bonds, without coupons, in Authorized Denominations and shall be numbered from No. R-1 upwards. The Series 2013 Bonds shall be dated the date of delivery, shall mature (subject to prior redemption as hereinafter set forth) on August 1 of the years and in the principal amounts and shall bear interest from the date thereof, payable on February 1 and August 1 of each year, commencing February 1, 2014, at the rates per annum (using a year of 360 days comprised of twelve 30-day months) as follows:

[TO COME]

(c) The principal of, and premium, if any, of the Series 2013 Bonds shall be payable to the registered owners thereof upon surrender of the Series 2013 Bonds at the principal corporate trust office of the Trustee. The interest on the Series 2013 Bonds, when due and payable, shall be paid by check or draft mailed by the Trustee on such due date to each person in whose name a Bond is registered, at the address(es) as they appear on the Bond Register maintained by the Trustee at the close of business on the applicable Record Date irrespective of any transfer or exchange of the Series 2013 Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Authority shall default in payment of interest due on such Interest Payment Date, provided that the owners of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owners have requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of any such default, such defaulted interest shall be payable on a payment date established by the Trustee to the persons in whose names the Series 2013 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owners of the Series 2013 Bonds not fewer than fifteen (15) days preceding such special record date. Payment as aforesaid shall be made in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

Section 3.3 Form of Series 2013 Bonds. The Series 2013 Bonds issued under this Supplemental Indenture shall be substantially in the form set forth in Exhibit A attached hereto and made a part hereof with such appropriate variations, additions, omissions and insertions as are permitted or required by this Supplemental Indenture. All Series 2013 Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Series 2013 Bonds may be listed or any usage or requirement of law with respect thereto.

All Series 2013 Bonds may bear identifying CUSIP numbers, but any failure to include such numbers or any error in any CUSIP number so included shall not in any way affect the validity of the Series 2013 Bonds.

Section 3.4 Redemption of Series 2013 Bonds.

(a) Optional Redemption. The Series 2013 Bonds maturing August 1, 20__ and thereafter are subject to redemption prior to maturity at the option of the Corporation, upon written direction to the Authority, on or after August 1, 20__ as a whole at any time, or in part on any Interest Payment Date, the maturity of said Bonds to be redeemed to be designated by the Corporation and selected within a maturity by the Trustee in such manner as the Trustee may determine, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(b) Extraordinary Redemption. The Series 2013 Bonds shall be redeemed as a whole or in part (in an integral multiple of \$5,000) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds, condemnation award or payment in lieu of condemnation with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, in an aggregate principal amount equal to the amount of such insurance proceeds, condemnation award or payment in lieu of condemnation not used for restoration, repair or reconstruction. If in part, the Series 2013 Bonds to be redeemed shall be in the inverse order of their maturity and selected within a maturity by the Trustee in such manner as the Trustee may determine. If the amount of any insurance proceeds, condemnation award or payment in lieu of condemnation to be applied in redemption of the Series 2013 Bonds is not an integral multiple of \$5,000, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subparagraph (b) shall be decreased to the next lower multiple of \$5,000.

(c) Any Additional Bonds issued under the provisions of Article V of this Supplemental Indenture may be made subject to redemption, either in whole or in part and at such times and prices, as may be provided in the resolution or resolutions of the Authority authorizing the issuance of such Additional Bonds.

(d) Unless otherwise specified above, if fewer than all of the Series 2013 Bonds shall be called for redemption, the Series 2013 Bonds to be redeemed shall be in inverse order of their maturity, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

(e) At least thirty (30) days before the redemption date of any Series 2013 Bonds, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if fewer than all of the Series 2013 Bonds then Outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

(f) On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided and money for payment of the redemption price being held in the Series 2013 Debt Service Fund in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, the Series 2013 Bonds or portions of Series 2013 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2013 Bonds or portions of Series 2013 Bonds on such date, interest on the Series 2013 Bonds or portions of Series 2013 Bonds so called for redemption shall cease to accrue, such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to be entitled to any benefit or security under this Supplemental Indenture, and the owners of such Series 2013 Bonds or portions of Series 2013 Bonds shall not have rights in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the next paragraph, to receive Series 2013 Bonds for any unredeemed portions of Series 2013 Bonds.

(g) In case part, but not all, of an Outstanding Series 2013 Bond shall be selected for redemption, the registered owner thereof or his legal representative shall present and surrender such Series 2013 Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Trustee shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2013 Bond so surrendered, a new Series 2013 Bond.

(h) Series 2013 Bonds and portions of Series 2013 Bonds that have been duly called for redemption under the provisions of this Article, or with respect to which irrevocable instructions to call for redemption have been given to the Trustee in form satisfactory to it, and for the payment of the redemption price for which moneys, or Defeasance Obligations, shall be held by the Trustee in a segregated account in trust for the owners of the Series 2013 Bonds or portions thereof to be redeemed, shall not thereafter be deemed to be outstanding under the provisions of this Supplemental Indenture and shall cease to be entitled to any security or benefit under this Supplemental Indenture other than the right to receive payment from such moneys.

Section 3.5 Execution; Limitation of Liability. The Series 2013 Bonds shall be executed on behalf of the Authority with the manual or facsimile signatures of the Chairman, Vice Chairman or Executive Director and the Secretary or Assistant Secretary of the Authority, and shall have impressed or imprinted thereon the official seal of the Authority or a facsimile thereof. The Series 2013 Bonds, together with interest and premium, if any, thereon, shall not constitute a debt of the State or any political subdivision thereof. The Series 2013 Bonds, together with interest thereon, shall be limited and special obligations of the Authority and shall be secured by and payable solely out of revenues derived from the Payments made pursuant to the Loan Agreement and Trust Estate pledged hereunder. The Authority shall not be obligated to pay the principal of the Series 2013 Bonds or the interest or premium, if any, thereon or other costs incidental thereto except from payments made pursuant to the Loan Agreement. In case any officer of the Authority whose signature or whose facsimile signature shall appear on the Series 2013 Bonds shall cease to be such officer before the delivery of such Series 2013 Bonds, such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. THE SERIES 2013 BONDS ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE PAYMENTS RECEIVED BY THE AUTHORITY FROM THE CORPORATION PURSUANT TO THE LOAN AGREEMENT. THE SERIES 2013 BONDS DO NOT CONSTITUTE A PLEDGE OF THE GENERAL CREDIT OF THE AUTHORITY OR THE CORPORATION AND DO NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE STATE, THE BOARD, THE UNIVERSITY, OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE AUTHORITY). THE BOARD HAS AGREED, PURSUANT TO THE FACILITIES LEASE, TO MAKE PAYMENTS OF BASE RENTAL TO THE CORPORATION ON BEHALF OF THE UNIVERSITY. THE PAYMENTS TO BE

RECEIVED BY THE AUTHORITY FROM THE CORPORATION UNDER THE LOAN AGREEMENT ARE LIMITED TO THE AMOUNT OF BASE RENTAL RECEIVED BY THE CORPORATION FROM THE BOARD. THE AUTHORITY HAS NO POWER TO TAX.

Section 3.6 Authentication. No Series 2013 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Supplemental Indenture unless and until a certificate of authentication substantially in the form set forth in Exhibit A attached hereto and made a part hereof shall have been duly executed by a duly authorized representative of the Trustee, and such executed certificate of the Trustee upon any such Series 2013 Bond shall be conclusive evidence that such Series 2013 Bond has been authenticated and delivered under this Supplemental Indenture. The Trustee's certificate of authentication on any Series 2013 Bond shall be deemed to have been executed by it if signed by an authorized representative of the Trustee, but it shall not be necessary that the same representative sign the certificate of authentication on all of the Series 2013 Bonds issued hereunder.

Section 3.7 Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds. In the event any outstanding Series 2013 Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Authority may execute and, upon its request, the Trustee may authenticate a new Series 2013 Bond of the same principal amount and of like tenor as the mutilated, lost or stolen or destroyed Series 2013 Bond; provided that, in the case of any mutilated Series 2013 Bond, such mutilated Series 2013 Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Series 2013 Bond, there shall be first furnished to the Authority and the Trustee evidence of such loss, theft or destruction in form satisfactory to the Authority and the Trustee, together with indemnity satisfactory to them. In the event any such Series 2013 Bond shall have matured, instead of issuing a substitute Series 2013 Bond the Authority may authorize the payment of the same. The Authority and the Trustee may charge the owner of such Series 2013 Bond with their reasonable fees and expenses in this connection. Any Series 2013 Bond issued under the provisions of this Section 3.7 in lieu of any Series 2013 Bond alleged to be destroyed, lost or stolen shall constitute an original additional contractual obligation on the part of the Authority, whether or not the Series 2013 Bond so alleged to be destroyed, lost or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Supplemental Indenture together with all other Series 2013 Bonds in substitution for which such Series 2013 Bonds were issued.

Section 3.8 Registration of Series 2013 Bonds.

(a) The Trustee shall be the bond registrar for the Series 2013 Bonds. So long as any of the Series 2013 Bonds shall remain outstanding, there shall be maintained and kept for the Authority, at the principal corporate trust office of the Trustee, the Bond Register for the registration and transfer of the Series 2013 Bonds and, upon presentation thereof for such purpose at said office, the Trustee shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Series 2013 Bond.

(b) Each Series 2013 Bond shall be transferable only upon the Bond Register at the principal corporate trust office of the Trustee at the written request of the registered owner thereof or his legal representative duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his legal representative duly authorized in writing. Upon the transfer of any such Series 2013 Bond, the Trustee shall issue in the name of the transferee, in authorized denominations, one or more Series 2013 Bonds of the same aggregate principal amount as the surrendered Series 2013 Bonds.

Section 3.9 Persons Treated as Owners.

(a) The Authority and the Trustee may, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on any Series 2013 Bond and for all other purposes, deem and treat the person in whose name such Series 2013 Bond shall be registered upon the Bond Register as the absolute owner of such Series 2013 Bond, whether or not such Series 2013 Bond is overdue, and neither the Authority nor the Trustee shall be affected by any notice to the contrary.

(b) Payment made to the person deemed to be the owner of any Series 2013 Bond for the purpose of such payment in accordance with the provisions of this Section 3.9 shall be valid and effectual, to the extent of the sum or sums so paid, to satisfy and discharge the liability upon such Series 2013 Bond in respect of which such payment was made.

Section 3.10 Exchange and Transfer of Series 2013 Bonds. As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Series 2013 Bonds in Authorized Denominations.

(b) For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(c) The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

Section 3.11 Cancellation and Destruction of Surrendered Series 2013 Bonds. Upon the surrender to the Trustee of any temporary or mutilated Series 2013 Bonds, or Series 2013 Bonds transferred or exchanged for other Series 2013 Bonds, or Series 2013 Bonds paid at maturity by the Authority, the same shall forthwith be canceled and destroyed by the Trustee, and the Trustee, upon the request of the Authority, shall deliver its certificate of such destruction to the Authority.

Section 3.12 Delivery of the Series 2013 Bonds.

(a) Upon the execution and delivery of this Supplemental Indenture, the Authority shall execute and deliver to the Trustee, and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof as shall be directed by the Authority as hereinafter in this Section provided. The Authority shall execute and deliver to the Trustee and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof as shall be directed by the Authority as hereinafter in this Section provided.

(b) Prior to or simultaneously with the delivery by the Trustee of the Series 2013 Bonds there shall be filed with the Trustee:

(i) A copy, duly certified by the Secretary, Executive Director or an Assistant Secretary of the Authority, of the resolution or resolutions adopted by the Authority authorizing the execution and delivery of this Supplemental Indenture and the Loan Agreement, as amended, and all other instruments contemplated thereby and the authorization, issuance, sale and delivery of the Series 2013 Bonds;

(ii) A copy, duly certified by an Authorized Corporation Representative, of the resolution or resolutions of the Corporation authorizing the execution and delivery of the Loan Agreement, and all other instruments contemplated thereby and approving this Supplemental Indenture and the authorization, issuance, sale and delivery of the Series 2013 Bonds;

(iii) Original executed counterparts of this Supplemental Indenture, the Supplemental Loan Agreement, the Facilities Lease and the Ground Lease;

(iv) Signed copies of all opinions of counsel required in connection with the issuance of the Series 2013 Bonds and the transactions contemplated thereby;

(v) A request and authorization to the Trustee on behalf of the Authority and signed by its Chairman, Vice Chairman, Executive Director, Secretary or an Assistant Secretary to authenticate and deliver the Series 2013 Bonds to the purchasers thereof and specifying the amounts to be deposited in the Series 2013 Cost of Issuance Account, the Replacement Fund, the Series 2013 Debt Service Reserve Fund and the Escrow Fund hereunder; and

(vi) A signed copy of the legal opinion of Jones Walker LLP, addressed to the Trustee, to the effect that (i) the Series 2013 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and this Supplemental Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (ii) authorizing the Trustee to rely upon Bond Counsel's approving opinion as if it were addressed to the Trustee.

(c) The Authority hereby authorizes and directs the Trustee to execute and deliver the Tax Regulatory Agreement dated the Closing Date, among the Authority, the Trustee and the Corporation.

Section 3.13 Book-Entry Registration of Series 2013 Bonds.

(a) The Series 2013 Bonds shall be initially issued in the name of Cede & Co., as nominee for DTC, as registered owner of the Series 2013 Bonds, and held in the custody of DTC (or the Trustee as the agent of DTC under the F.A.S.T. delivery system). The Authority and the Trustee acknowledge that the Authority has executed and delivered a Blanket Letter of Representations with DTC and that the terms and provisions of said Letter of Representations shall govern in the event of any inconsistency between the provisions of this Supplemental Indenture and said Letter of Representations. A single bond certificate for each maturity of Series 2013 Bonds will be issued and delivered to DTC. The Beneficial Owners will not receive physical delivery of Series 2013 Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Series 2013 Bond acquired. For so long as DTC shall continue to serve as securities depository for the Series 2013 Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Series 2013 Bonds is to receive, hold or deliver any Bond certificate.

(b) For every transfer and exchange of the Series 2013 Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

(c) The Authority, the Corporation and the Trustee will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

(d) Neither the Authority, the Trustee, the Corporation nor the Board is responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy in lieu of consent.

(e) Whenever during the term of the Series 2013 Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Supplemental Indenture of holding, delivering or transferring Series 2013 Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

(f) DTC may determine to discontinue providing its services with respect to the Series 2013 Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law.

(g) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2013 Bonds if the Authority determines that (i) DTC is unable to discharge its responsibilities with respect to the Series 2013 Bonds, or (ii) a continuation of the requirement that all of the outstanding Series 2013 Bonds be registered on the registration books kept by the Trustee in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Series 2013 Bonds.

(h) Upon the termination of the services of DTC with respect to the Series 2013 Bonds pursuant to the above two paragraphs, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority is willing and able to undertake such functions upon reasonable and customary terms, the Authority is obligated to deliver Series 2013 Bonds to the owner, at the expense of the said owner as described in this Supplemental Indenture, and the Series 2013 Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names holders transferring or exchanging Series 2013 Bonds shall designate in accordance with the provisions of this Supplemental Indenture.

(i) Notwithstanding any other provision of this Supplemental Indenture to the contrary, so long as any Series 2013 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Series 2013 Bond and all notices with respect to such Series 2013 Bond shall be made and given, respectively, in the manner provided in the Blanket Letter of Representations of the Authority dated November 17, 1998 and delivered to DTC.

(j) If at any time DTC ceases to hold the Series 2013 Bonds, all references herein to DTC shall be of no further force or effect.

ARTICLE IV
FUNDS AND ACCOUNTS; FLOW OF FUNDS;
INVESTMENTS; DEPOSITS; ARBITRAGE

Section 4.1 Creation and Use of Funds and Accounts. On or prior to the Closing Date, in addition to the funds and accounts created pursuant to the Original Indenture, the following special trust funds and accounts (except as qualified in this Section 4.1) shall be established and maintained with the Trustee so long as any Series 2013 Bonds issued under this Supplemental Indenture are outstanding:

- (a) Series 2013 Bond Proceeds Fund and a Series 2013 Costs of Issuance Account therein;
- (b) Series 2013 Debt Service Fund, and the following accounts therein:
 - (i) Interest Account;
 - (ii) Principal Account;
- (c) Series 2013 Debt Service Reserve Fund; and
- (d) Series 2013 Rebate Fund.

Section 4.2 Series 2013 Bond Proceeds Fund.

(a) On or prior to the Closing Date, the Series 2013 Bond Proceeds Fund shall be used to receive the proceeds of the Series 2013 Bonds, a transfer from the Series 2004 Debt Service Reserve Fund held by the Trustee and the Board Contribution. Any funds received prior the Closing Date may be held uninvested. On the Closing Date, the Trustee shall disburse amounts held in the Series 2013 Bond Proceeds Fund as follows:

(i) to retain such sum in the Series 2013 Costs of Issuance Account as may be specified in the request and authorization delivered pursuant to Section 3.12 hereof;

(ii) to transfer to the Series 2013 Debt Service Reserve Fund an amount equal to the Series 2013 Debt Service Reserve Fund Requirement; and

(iii) to transfer to the Escrow Trustee for deposit to the Escrow Fund the balance of the proceeds of the Series 2013 Bonds and the Board Contribution.

(b) Amounts deposited on the Closing Date into the Series 2013 Costs of Issuance Account of the Series 2013 Bond Proceeds Fund shall be disbursed, pursuant to the written instructions of the Authority, to pay Costs of Issuance. The Trustee is authorized and directed to pay such Costs of Issuance in accordance with the payment instructions set forth in the respective invoices submitted to the Trustee for payment pursuant to such written instructions of the Authority. Any amounts remaining in the Series 2013 Costs of Issuance Account 180 days after delivery of the Series 2013 Bonds (and not specifically committed to pay additional Costs of Issuance) shall be deposited into the Interest Account of the Series 2013 Debt Service Fund.

Section 4.3 Series 2013 Debt Service Fund. The Trustee shall deposit into the applicable account of the Series 2013 Debt Service Fund the amounts required by Section 4.6 of this Supplemental Indenture.

(a) Moneys on deposit in the Interest Account of the Series 2013 Debt Service Fund shall be used solely to pay the interest on the Series 2013 Bonds as it becomes due and payable, whether on an Interest Payment Date, at maturity or upon acceleration.

(b) Moneys on deposit in the Principal Account of the Series 2013 Debt Service Fund shall be used solely to pay the principal of the Series 2013 Bonds as it becomes due and payable, whether at maturity, prior redemption or upon scheduled sinking fund redemption; and, if funds are available for such purpose and at the written direction of the Authority, to effect the redemption of the Series 2013 Bonds prior to their maturity in accordance with the redemption provisions hereof or the purchase of Series 2013 Bonds prior to their maturity in the open market at a price not in excess of the then applicable redemption price (the principal amount thereof, premium, if any, plus accrued interest).

(c) Whenever and to the extent that money on deposit in the Interest Account or the Principal Account is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, the Trustee shall transfer money from the Surplus Fund, the Replacement Fund and the Debt Service Reserve Fund, in that order.

Section 4.4 Replacement Fund. The Replacement Fund shall be maintained with the Trustee and used to fund the cost of replacing any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, fixtures or equipment placed upon or used in connection with the Facilities. Moneys in the Replacement Fund will also be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts, together with money available therefor in the Surplus Fund, is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Section 4.5 Series 2013 Rebate Fund. Moneys deposited and held in the Series 2013 Rebate Fund shall be used to make all rebate payments owed to the United States under the Code, and shall not be subject to the pledge of this Supplemental Indenture. The Corporation shall make the calculation(s) required by the Code and the Tax Regulatory Agreement and Arbitrage Certificate and shall direct the Trustee to make deposits to and make disbursements from the Series 2013 Rebate Fund that the Corporation determines are in accordance therewith. The Tax Regulatory Agreement and any provisions of this Supplemental Indenture governing deposits to the Series 2013 Rebate Fund may be superseded or amended by the Corporation (except the requirement of annual calculations and deposits to the Series 2013 Rebate Fund, if required) if accompanied by an opinion of Bond Counsel addressed to the Corporation and the Trustee to the effect that the use of the new Tax Regulatory Agreement will not cause the interest on the Series 2013 Bonds to become includable in gross income of the recipient thereof for federal tax purposes.

Section 4.6 Receipts Fund. There shall be deposited into the Receipts Fund all funds received from or paid on behalf of the Board under the Facilities Lease, including: (i) daily, all rents, charges and other amounts, held in the deposit account maintained by the Management Company pursuant any Management Agreement; and (ii) all Lawfully Available Funds from the Board used to make Base Rental Payments pursuant to the Facilities Lease. The Trustee will transfer the amount so deposited in the Receipts Fund to the Series 2004 Debt Service Fund and the Series 2013 Debt Service Fund without distinction or priority. Moneys on deposit in the Receipts Fund will be withdrawn by the Trustee in accordance with the requirements of the Original Indenture and this Supplemental Indenture and ratably on a parity therewith and applied in the following priority:

(a) At such time as may be required by the Tax Regulatory Agreement but not less often than annually, to the Rebate Fund and the Series 2013 Rebate Fund the amount required to be deposited thereunder;

(b) On the twenty-fifth (25th) day of each month, beginning on the twenty-fifth (25th) day of the month following the effective date of any Management Agreement, to the Operating Fund (as defined in the Management Agreement) maintained by the Management Company, an amount necessary to make the amount in the Operating Fund equal to the Operating Expenses for the next month as shown on the Operating Budget (as defined in the Management Agreement) for such month, as certified by the Management Company;

(c) With respect to the Series 2004B Bonds and the Series 2013 Bonds that bear interest at a Fixed Rate, on the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund an amount equal to one-third (1/3rd) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on February 1, 2014 and thereafter, on the 25th day of each month, commencing February 25, 2014, an amount equal to one-sixth (1/6th) of the interest due and payable on such Series 2004B Bonds and Series 2013 Bonds on the next February 1 and August 1 or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund and the Interest Account of the Series 2013 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds and Series 2013 Bonds on such Interest Payment Date;

(d) With respect to the Auction Rate Bonds, two (2) Business Days prior to each Interest Payment Date for the Auction Rate Bonds, commencing November 12, 2013, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Auction Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at an Auction Rate on such Interest Payment Date;

(e) With respect to the Variable Rate Bonds, two (2) Business Days prior to each Interest Payment Date, commencing on the Interest Payment Date immediately succeeding the applicable Variable Rate Conversion Date, into the Interest Account of the Series 2004 Debt Service Fund an amount equal to the interest due and payable on the Variable Rate Bonds on such Interest Payment Date or such lesser amount that, together with amounts already on deposit in the Interest Account of the Series 2004 Debt Service Fund, will be sufficient to pay interest on such Series 2004B Bonds bearing interest at a Variable Rate on such Interest Payment Date;

(f) On the twenty-fifth (25th) day of each month, commencing November 25, 2013, into the Principal Account of the Series 2004 Debt Service Fund and the Principal Account of the Series 2013 Debt Service Fund an amount equal to one-ninth (1/9th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on August 1, 2014 and thereafter, on the 25th day of each month, commencing August 25, 2014, an amount equal to one-twelfth (1/12th) of the principal of the Series 2004B Bonds and the Series 2013 Bonds payable on the next Principal Payment Date;

(g) On the twenty-fifth (25th) day of the month, any amounts due to the Series 2004 Bond Insurer under the Reimbursement Agreement;

(h) On the twenty-fifth (25th) day of each month following any drawing on the Debt Service Reserve Fund in accordance with Section 4.21 of the Original Indenture or any drawing on the Series 2013 Debt Service Reserve Fund in accordance with Section 4.13 hereof, an amount equal to the lesser of (i) one twelfth

(1/12th) of the amount necessary to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement for the Series 2004B Bonds and the Series 2013 Debt Service Reserve Fund to equal the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds within twelve (12) months or (ii) the excess of the Debt Service Reserve Fund Requirement for the Series 2004 Bonds or the Series 2013 Debt Service Reserve Fund Requirement for the Series 2013 Bonds over the amount on deposit in the Debt Service Reserve Fund or the Series 2013 Debt Service Reserve Fund;

(i) Annually, beginning August 1, 2014, an amount equal to \$122,987.38 into the Replacement Fund, with such amount increased each year, beginning August 1, 2015 at a rate of 3% annually; or such lesser annual amount as is permitted by the Board of Regents and approved by the Series 2004 Bond Insurer and, in the event that any funds shall have been withdrawn from the Replacement Fund to cure any deficiency in the Interest Account or the Principal Account of the Series 2004 Debt Service Fund or the Interest Account or the Principal Account of the Series 2013 Debt Service Fund pursuant to Section 4.3(c) hereof, the amount of such withdrawal;

(j) On the twenty-fifth (25th) day of each month, commencing the month following the effective date of any Management Agreement, an amount equal to the monthly Management Fee for the current Fiscal Year plus any Management Fee for any prior month that remains unpaid;

(k) Annually on August 1 of each year beginning August 1, 2014 any amounts remaining in the Receipts Fund after making all transfers required to be made on such date under Section 4.6(a) through (j) hereof shall be transferred to the Surplus Fund and applied as set forth in Section 4.25 of the Original Indenture.

After a Variable Rate Conversion of the Series 2004B Bonds, payments will be made from the Receipts Fund to the Series 2004 Debt Service Fund in accordance with the supplemental indenture executed in connection with such Variable Rate Conversion.

Section 4.7 Series 2013 Debt Service Reserve Fund. Moneys on deposit in the Series 2013 Debt Service Reserve Fund shall be maintained in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement, and shall be transferred, in accordance with the priority set out in Section 4.3(c) above, to the Interest Account or the Principal Account of the Series 2013 Debt Service Fund in such amount as shall be necessary to remedy any deficiency therein (taking into account any amounts available therefor in the Surplus Fund and the Replacement Fund). Whenever the amount in the Series 2013 Debt Service Reserve Fund, together with the amount in the Series 2013 Debt Service Fund, is sufficient to pay in full all outstanding Series 2013 Bonds in accordance with their terms, the funds on deposit in the Series 2013 Debt Service Reserve Fund shall be transferred to the Series 2013 Debt Service Fund and shall be available to pay all outstanding Series 2013 Bonds in accordance with their terms. If the balance of the Series 2013 Debt Service Reserve Fund is greater than the Series 2013 Debt Service Reserve Fund Requirement, all amounts in the Series 2013 Debt Service Reserve Fund in excess of the Series 2013 Debt Service Reserve Fund Requirement shall be transferred to the Interest Account of the Series 2013 Debt Service Fund. In no event shall moneys in the Series 2013 Debt Service Reserve Fund be used to make payments of principal or interest on the Series 2004B Bonds and in no event shall the moneys in the Series 2004 Debt Service Reserve Fund be used to make payments of principal and interest on the Series 2013 Bonds.

Section 4.8 Surplus Fund. The Surplus Fund will continue to be maintained with the Trustee. Upon satisfaction of certain performance covenants contained in the Indenture, funds on deposit in the Surplus Fund at the end of any Fiscal Year will be transferred to the University. Until such transfer, moneys in the Surplus Fund will be available to be transferred to the Interest Account and/or the Principal Account of the Series 2004 Debt

Service Fund or Series 2013 Debt Service Fund whenever and to the extent that money on deposit in such Accounts is insufficient to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2004B Bonds or the Series 2013 Bonds.

Section 4.9 Investments. Moneys contained in the funds and accounts held by the Trustee under Section 4.1 of this Supplemental Indenture shall be continuously invested and reinvested by the Trustee at the direction of the Corporation in Permitted Investments, to the extent practicable, that shall mature (or be readily convertible to cash) not later than the respective dates, as estimated by the Trustee, when the moneys in said Funds and Accounts shall be required for the purposes intended, and:

(i) No such investment shall be required to be made unless the cash at the time available therefor is at least equal to \$1,000;

(ii) The Trustee shall be authorized, to the extent necessary to enable the Trustee to discharge or perform its obligations hereunder, at any one or more times to sell any part or all of the investments whenever it may, for any reason or purpose whatsoever, deem any such sale to be desirable;

(iii) Any income derived from and any profit or loss on any such investment of moneys on deposit in any such fund or account shall be credited or debited, as the case may be, to the respective fund or account in which earned;

(iv) No Permitted Investments in any fund or account may mature beyond the latest maturity date of any Series 2013 Bonds outstanding at the time such Permitted Investments are deposited. For the purposes of this section, the maturity date of repurchase agreements for obligations is the maturity date of such repurchase agreements and not the maturity date of the underlying obligation; and

(b) An Authorized Corporation Representative shall give to the Trustee directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Article and Article V of the Loan Agreement, and the Trustee shall then invest such money under this Section as so directed. The Trustee shall in no event have any liability for any loss resulting from the investment of moneys in accordance with the directions of the Authorized Corporation Representative. The Trustee shall furnish the Authority annually with a written copy and the Corporation with a written copy for the Board, on at least a monthly basis, of the types, amounts, yield and maturities of all such investments.

(c) All cash investments shall be valued by the Trustee as frequently as deemed necessary by the Trustee, but not less often than annually, at the market value thereof. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date.

Section 4.10 Depository of Moneys and Security for Deposits. All of the funds and accounts established hereunder (except for the Series 2013 Rebate Fund) shall be special trust accounts held by the Trustee in trust for the benefit of the owners of the Series 2013 Bonds and shall not be subject to lien or attachment by any creditors of the Trustee, the Authority, the Corporation, or the Board. Uninvested sums in these funds and accounts shall be continually secured as are deposits of uninvested sinking funds of political subdivisions of the State or in the manner prescribed by Federal law for securing any Federal trust funds as may be prescribed from time to time by the Comptroller of the Currency.

Section 4.11 Arbitrage. Notwithstanding all the provisions hereof, the Authority shall not direct the investment of moneys in the various funds and accounts created hereunder in a manner that would result in the loss of exclusion from gross income of interest on the Series 2013 Bonds for Federal income tax purposes or in such manner which would result in the Series 2013 Bonds becoming “arbitrage bonds” within the meaning of Section 148 of the Code.

Section 4.12 Amounts Remaining in Funds; Releases. It is agreed by the parties hereto that any amounts remaining in the Funds and Accounts existing pursuant to this Supplemental Indenture upon the expiration or sooner cancellation or termination of the Loan Agreement, as provided therein, after payment in full of all Series 2013 Bonds then outstanding under this Supplemental Indenture (or provisions for the payment thereof having been made in accordance with Article XII of this Supplemental Indenture), and the fees, charges and expenses of the Authority and the Trustee and all other amounts required to be paid under the Loan Agreement and under this Supplemental Indenture, other than amounts payable as arbitrage rebate under Section 148(f) of the Code, shall belong to and be paid to the Board.

Section 4.13 Application of Moneys in the Series 2013 Debt Service Reserve Fund.

(a) The Series 2013 Debt Service Reserve Fund shall be funded on the date of delivery of the Series 2013 Bonds in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement.

(b) The Trustee shall transfer money from the Series 2013 Debt Service Reserve Fund to the Interest Account and the Principal Account of the Series 2013 Debt Service Fund to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the mandatory sinking fund redemption requirements therefor) the Series 2013 Bonds, whenever and to the extent that the money on deposit in said accounts (together with any amounts available therefor in the Surplus Fund and the Replacement Fund) is insufficient for such purposes.

(c) If the money held in the Series 2013 Debt Service Reserve Fund, including interest earnings, exceeds the Series 2013 Debt Service Reserve Fund Requirement an amount equal to such excess shall be transferred by the Trustee to the Interest Account of the Series 2013 Debt Service Fund. The Trustee shall not be required to liquidate any investment before its maturity to make such transfer. Whenever the amount on deposit in the Series 2013 Debt Service Reserve Fund is less than the Series 2013 Debt Service Reserve Fund Requirement, the Trustee shall notify the Authority and the Corporation of the amount of such deficiency and such deficiency will be remedied, as provided in Section 4.6(h) hereof. Upon notification the Corporation shall deliver to the Trustee an amount sufficient to cure the deficiency in accordance herewith and the Agreement.

(d) The Authority may, at the direction of the Corporation, as advised by the Board, at any time, deposit with the Trustee, to replace cash in the Series 2013 Debt Service Reserve Fund (in which case the replaced cash shall be paid to the University) or to meet the requirements herein that it deposit additional amounts in the Series 2013 Debt Service Reserve Fund, a Debt Service Reserve Fund Investment. Any bank issuing a letter of credit must have a rating on its unsecured debt, or on debt secured by its letters of credit and which ratings are based solely on the bank’s letter of credit, of “AA-” or better by S&P and “Aa3” or better by Moody’s. Any insurance company issuing a surety bond must have a claims-paying ability rating of “AAA” by S&P and “Aaa” by Moody’s. If such Debt Service Reserve Fund Investment expires prior to fifteen (15) days after the final maturity of the Series 2013 Bonds, it must provide, that if not renewed within fifteen (15) days prior to its expiration date in an amount equal to the undrawn amount thereof (other than because of a reduction in the Series 2013 Debt Service Reserve Fund Requirement or the deposit of cash in the Series 2013 Debt Service

Reserve Fund to replace it), the Trustee may draw the full amount of such Series 2013 Debt Service Reserve Fund Investment. The Trustee shall draw down the full amount of such Debt Service Reserve Fund Investment and deposit such amount in the Series 2013 Debt Service Reserve Fund fifteen (15) days prior to expiration of such Debt Service Reserve Fund Investment if it is not renewed as provided for in the preceding sentence. The Debt Service Reserve Fund Investment must be able to be drawn upon at any time that cash could be withdrawn from the Series 2013 Debt Service Reserve Fund. Prior to accepting any such Debt Service Reserve Fund Investment, the Trustee, the Corporation, the Board and the Authority must receive a Bond Counsel opinion that such acceptance and any payment of funds in the Debt Service Reserve Fund to the Corporation is authorized by this Indenture and will not adversely affect the exclusion of interest on the Series 2013 Bonds. If a Debt Service Reserve Fund Investment is deposited in the Series 2013 Debt Service Reserve Fund in lieu of cash, the cash amount contained in the Series 2013 Debt Service Reserve Fund shall be transferred to the Replacement Fund.

(e) If a disbursement is made under a surety bond deposited in the Series 2013 Debt Service Reserve Fund, the Corporation shall be obligated to either reinstate the maximum limits of such surety bond immediately following such disbursement in twelve (12) equal monthly installments or as required by the Authority of the Debt Service Reserve Fund Investment in an amount equal to the Series 2013 Debt Service Reserve Fund Requirement or deposit into the Series 2013 Debt Service Reserve Fund funds in the amount of the disbursement made under the Debt Service Reserve Fund Investment, or a combination of such alternatives as shall equal the Series 2013 Debt Service Reserve Fund Requirement.

Section 4.14 Application of Insurance Proceeds; Condemnation Award.

(a) If all or any portion of the Facilities is damaged or destroyed by a Casualty (as defined in the Facilities Lease), or is taken by Expropriation (as defined in the Facilities Lease) proceedings, the Board shall instruct the Corporation, as expeditiously as possible, to continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof; provided however, that the Corporation shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the proceeds of any insurance or of any Expropriation award received because of such Casualty or Expropriation. The proceeds of any insurance, including the proceeds of any self-insurance through ORM, or of any Expropriation award or payment in lieu of Expropriation, received on account of any damage, destruction or taking of all or any portion of the Facilities shall be delivered to the Trustee and held by the Trustee in a special account to be established upon receipt of any such funds and held by the Trustee in trust or in the case of self-insurance through ORM, as set forth in paragraph (b) below; and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Trustee shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Corporation as advised by the Board stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Trustee for payment of the costs to be so paid. In making such payments, the Trustee may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Trustee be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section. Any proceeds remaining on deposit with Trustee following completion of the repairs, restoration or replacement of the Facilities shall be paid by Trustee to the Corporation for the Board.

(b) In the event the University decides not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of Expropriation proceedings (including payments received or payable in lieu of Expropriation) shall be paid to the Trustee and applied to the redemption of the Bonds on a pro rata basis in accordance with the Indenture. The provisions of this Section 4.14(b) shall control over the provisions of the second paragraph of Section 4.22(a) of the Original Indenture.

(c) In the event that ORM insures the Facilities, the Board shall cause the Corporation to use the insurance proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

Section 4.15 Application of Money in the Replacement Fund.

(a) All moneys in the Replacement Fund shall be held for the benefit of the Board through the Corporation, are not pledged under this Indenture and may be drawn on and used by the Corporation or the Board to (i) replace any worn out, obsolete, inadequate, unsuitable or undesirable property, furniture, equipment, fixtures and other property owned by the Board or the Corporation and located on the Facilities and (ii) maintain the Facilities and to make all alterations, repairs, restorations and replacements to the Facilities as and when needed to preserve the Facilities in good working order, condition and repair, each as required by the Facilities Lease. Withdrawals from the Replacement Fund for the purposes set forth above shall be made by the Trustee upon its receipt of a requisition from the University or the Corporation substantially in the form attached hereto as Exhibit C to the Original Indenture. Moneys in the Replacement Fund may also be drawn by the Trustee and transferred to the Series 2004 Debt Service Fund or the Series 2013 Debt Service Fund if amounts on deposit therein, together with amounts available therefor in the Surplus Fund, are insufficient to pay debt service on the Series 2004B Bonds or the Series 2013 Bonds on any Interest Payment Date or Principal Payment Date.

(b) Any moneys remaining in the Replacement Fund immediately prior to the time all of the Series 2004B Bonds and Series 2013 Bonds are paid, or provision for their payment is made in accordance with Article XII hereof shall, at the option of the University, be used, together with amounts held in the Debt Service Reserve Fund and the Series 2013 Debt Service Reserve Fund, to pay in full all outstanding Series 2004B Bonds and Series 2013 Bonds in accordance with their terms or shall be paid to the University.

Section 4.16 Application of Money in the Surplus Fund.

(a) Funds on deposit in the Surplus Fund at the end of any Fiscal Year may be transferred to the University on the date described below if (i) the Debt Service Coverage Ratio for the Facilities was 1.10:1.00 or greater for such Fiscal Year as evidenced by the audited financial statements for such Fiscal Year and (ii) neither the Corporation or the Board are in default under the financing documents on the date of transfer to the University. Upon receipt of the audited financial statements for such Fiscal Year, provided that the above described conditions have been met, then at the written instruction of the University Representative, the Trustee shall transfer all of the amounts in the Surplus Fund on the last day of the immediately preceding Fiscal Year to the University.

(b) To the extent that there are insufficient funds in the Receipts Fund to make any of the transfers to the various funds and accounts required under Section 4.6(a) through (j) hereof on the dates such

transfers are required to be made, any amounts contained in the Surplus Fund shall be transferred to such funds and accounts, in the priority set forth in Section 4.6 hereof, to make up for such deficiency.

Section 4.17 Application of Moneys in the Series 2013 Rebate Fund. Moneys in the Series 2013 Rebate Fund shall be used to make any rebate payments required to be made to the United States under the Code. The Series 2013 Rebate Fund shall be held for the sole benefit of the United States of America and is not pledged under this Supplemental Indenture. Moneys required to be paid to the United States shall be deposited in the Series 2013 Rebate Fund by the Board as Base Rental under the Facilities Lease as required thereby and by this Supplemental Indenture.

ARTICLE V ADDITIONAL BONDS

Section 5.1 Additional Bonds. Additional Bonds may be issued in accordance with the provisions of Article V of the Original Indenture.

ARTICLE VI COSTS OF ISSUANCE

Section 6.1 Payment of Costs of Issuance from Series 2013 Bond Proceeds Fund. There shall be paid into the Series 2013 Costs of Issuance Account in the Series 2013 Bond Proceeds Fund the amounts required to be so paid from Series 2013 Bond proceeds pursuant to Section 4.2(b) of this Supplemental Indenture; and such amounts shall be applied to the payment of all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Series 2013 Bonds including, but not limited to, publication costs, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, the Authority or any other fiduciary, legal fees and charges, fees and disbursements of consultants and professionals and any other cost, charge or fee in connection with the original sale and issuance of the Series 2013 Bonds. Any additional costs of issuance shall be paid solely by the Corporation. The Trustee shall make payments from the Series 2013 Costs of Issuance Account upon receipt of statements from the parties entitled to be paid therefrom accompanied by a written request of the Authority directing the Trustee to pay such statements.

ARTICLE VII ENFORCEMENT OF LOAN AGREEMENT AND FACILITIES LEASE

Section 7.1 Assignment of Loan Agreement and Facilities Lease. The Authority has assigned all of its right, title and interest in, to and under the Loan Agreement (except for rights relating to exculpation, indemnification and payment of expenses thereunder), including the interest of the Authority in and to the Ground Lease and the Facilities Lease assigned by the Corporation to the Authority thereunder (except for payments of Additional Rentals made under the Facilities Lease), to the Trustee as security for the Series 2013 Bonds and hereby agrees that the Loan Agreement and the Facilities Lease may be enforced by the Trustee and/or the owners of the Bonds in accordance with the terms of the Facilities Lease and the Indenture. Notwithstanding such assignment, the Authority agrees to cause the Corporation to comply with the terms contained in the Loan Agreement and the Facilities Lease and the rights of the Bondholders and the Trustee shall be governed by the provisions of the Indenture, the Loan Agreement and the Facilities Lease.

Section 7.2 Trustee or Bondholders to Enforce Loan Agreement, Facilities Lease and Mortgage. The Trustee may, and upon request of the Series 2004 Bond Insurer or a majority in aggregate principal amount of the

Bonds then outstanding shall, subject to the provisions of Section 8.11 and Article IX hereof, strictly and promptly enforce the provisions of the Loan Agreement, the Facilities Lease and Mortgage so long as any of the Bonds remain outstanding under the Indenture. All rights of action (including the right to file proof of claims) to enforce the Loan Agreement, the Facilities Lease and Mortgage under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee for the Bondholders without the necessity of joining as plaintiffs or defendants any of the Bondholders.

ARTICLE VIII EVENTS OF DEFAULT; REMEDIES

Section 8.1 No Extension of Time for Payment of Principal, Premium or Interest. The Trustee shall not be authorized to extend the time for any payment of principal, premium or interest without the prior written consent of or authorization by the owner of the Series 2013 Bonds so affected.

Section 8.2 Events of Default.

(a) Each of the following events is hereby declared to be an additional “*Event of Default*” under Section 8.2 of the Original Indenture:

(i) The payment of any installment of interest on any of the Series 2013 Bonds shall not be made when the same shall become due and payable;

(ii) The payment of the principal of or premium, if any, on any of the Series 2013 Bonds shall not be made when the same shall become due and payable, whether at maturity or by proceedings for redemption or by acceleration or otherwise;

(iii) An “Event of Default” under Article IX of the Loan Agreement shall have occurred and shall not have been cured within the applicable cure period;

(iv) A default shall occur under Section 21 of the Facilities Lease;

(v) If by action or inaction of the Authority, the Board or the Corporation the interest on the Series 2013 Bonds shall become includable in gross income for Federal income tax purposes; or

(vi) Default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Series 2013 Bonds or in this Supplemental Indenture on the part of the Authority to be performed, if such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority, the Board and the Corporation by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the owners of not less than a majority in principal amount of the Series 2013 Bonds then outstanding. Such default shall not become an Event of Default if said default be of the nature that (A) it cannot be corrected within the thirty (30) day period after receipt of notice, but the Authority (or the Corporation pursuant to the provisions of Section 8.14 of this Supplemental Indenture) promptly shall institute and diligently pursue corrective action until such default is cured and (B) the Trustee shall determine that such default is not curable but such default does not affect the validity or enforceability of the Series 2013 Bonds, this Supplemental Indenture or the Loan Agreement, an event of nonperformance shall not have occurred under the Loan Agreement

(other than as a result of the cross-default provisions), and such default does not impair the security or the obligations provided for or under the Bonds, the Indenture or the Loan Agreement.

(b) The word “default” as used herein means failure of performance when due, exclusive of any period of grace, if any, allowed to correct any such failure.

Section 8.3 Remedies. Upon the occurrence of an Event of Default, the Authority, the Trustee and, subject to Sections 8.10 and 8.11, the Bondholders shall have all the rights and remedies as may be allowed by law, the Indenture, or pursuant to the provisions of the Loan Agreement and/or the Facilities Lease by virtue of their assignment hereunder, including but not limited to, acceleration of the maturity of all Bonds, or suit at law or in equity to enforce or enjoin the action or inaction of parties under the provisions of the Indenture, the Loan Agreement or the Facilities Lease.

Section 8.4 Acceleration; Annulment of Acceleration.

(a) Upon the occurrence of an Event of Default described in Section 8.2 of the Indenture, the Trustee may, and upon the written request of the Series 2004 Bond Insurer or the owners of a majority in aggregate principal amount of the Bonds shall, by notice in writing to the Authority, the Board and the Corporation, declare the Bonds then outstanding immediately due and payable, and such Bonds shall become and be immediately due and payable, anything in such Bonds or in the Loan Agreement or the Indenture to the contrary notwithstanding, and, subject to Article IX, the Trustee may exercise any remedies granted to it therein. In such event, there shall be due and payable on the Bonds an amount equal to the principal amount of all the Bonds then outstanding plus all interest accrued thereon and which will accrue thereon to the date of payment; and

(b) At any time after the principal of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Indenture, the Loan Agreement or the Facilities Lease, the Trustee may annul such declaration and its consequences with respect to the Bonds if (i) moneys shall have been deposited in the Series 2013 Debt Service Fund and the Series 2004 Debt Service Fund sufficient to pay all matured installments of principal (other than principal due solely because of acceleration) and interest; (ii) moneys shall be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Authority and the Trustee; (iii) all other amounts then payable by the Authority or the Corporation under the Indenture or the Loan Agreement shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every Event of Default known to the Authority or the Trustee (other than a default in the payment of the principal of the Bonds due only because of such declaration) shall have been remedied to the satisfaction of the Authority and the Trustee. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 8.5 Insufficiency in the Series 2013 Debt Service Fund; Application of Moneys.

(a) Anything in this Supplemental Indenture to the contrary notwithstanding, if at any time the moneys in the Series 2013 Debt Service Fund shall not be sufficient to pay the interest on, premium, if any, or the principal of the Series 2013 Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities), such moneys, together with any other moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall, subject to the provisions of Sections 9.2 and 9.4 hereof, be applied as follows:

(i) Unless the principal of all the Series 2013 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST, to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay any particular installment, then to the payment thereof, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2013 Bonds; then

SECOND, to the payment to the persons entitled thereto of the unpaid principal of any of the Series 2013 Bonds which shall have become due and payable (other than Series 2013 Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Supplemental Indenture) in the order of their due dates, with interest on the principal amount of such Series 2013 due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the Series 2013 Bonds and their interest thereon, then to the payment thereof ratably, according to the amount of the interest due on such date, and next to the payment of the principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference; and then

THIRD, to the payment of the interest on and the principal of the Series 2013, to the purchase and retirement of Series 2013 Bonds and to the redemption of Series 2013 Bonds, all in accordance with the provisions of this Supplemental Indenture.

(ii) If the principal of all the Series 2013 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Series 2013 Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Series 2013 Bond over any other Series 2013 Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference; and

(iii) If the principal of all the Series 2013 Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled, then, subject to the provisions of Section 8.4(b) above, in the event that the principal of all the Series 2013 Bonds shall later become or be declared due and payable, then all such moneys shall be applied in accordance with the provisions of Section 8.4(a) above.

(b) Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for application in the future; the deposit of such money or otherwise setting aside such money in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Supplemental Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and

upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the owner of any Series 2013 Bond until such Series 2013 Bond shall be surrendered to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.6 Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

Section 8.7 Reserved.

Section 8.8 Remedies Not Exclusive. No remedy by the terms of the Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or existing at law or in equity on or after the date of adoption of the Indenture.

Section 8.9 Remedies Vested in Trustee. All rights of action under the Indenture, the Loan Agreement or under any of the Bonds may be enforced by the Trustee without possession of the Bonds and without their production in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any owners of the Bonds.

Section 8.10 Reserved.

Section 8.11 Individual Bondholder Action Restricted.

(a) No owner of any Series 2013 Bond shall have any right to institute any suit, action or proceeding for the enforcement of this Supplemental Indenture or for the execution of any trust hereunder or for any remedy under this Supplemental Indenture unless an Event of Default has occurred (other than under Sections 8.2(a)(i) or 8.2(a)(ii)) of the Original Indenture as to which the Trustee has actual notice, or as to which the Trustee has been notified in writing; and

(b) No one or more owners of Series 2013 Bonds shall have any right in any manner whatsoever to disturb or prejudice the security of this Supplemental Indenture or to enforce any right hereunder except in the manner herein provided and then only for the equal benefit of the owners of all outstanding Series 2013 Bonds.

Section 8.12 Waiver and Non-Waiver of Event of Default. No delay or omission of the Trustee or of any owner of Bonds to exercise any right or power accruing upon any Event of Default shall impair the right or power or shall be construed to be a waiver of an Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and to the owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 8.13 Notice of Defaults.

(a) Within 30 days after the receipt of notice of an Event of Default or the occurrence of an Event of Default of which the Trustee is deemed to have notice, the Trustee shall (unless the Event of Default has already been cured) give written notice of the Event of Default to the owners of all Series 2013 Bonds then outstanding in the manner provided in Section 13.8 of this Supplemental Indenture, provided that, except in the case of a default in the payment of principal, redemption price, or interest on any of the Series 2013 Bonds, the Trustee may withhold the notice to the Bondholders if, in its sole judgment, it determines that the withholding of notice is not detrimental to the best interest of the Bondholders.

(b) The Trustee shall immediately notify, in writing, the Authority, the Board, the Series 2004 Bond Insurer and the Corporation of any Event of Default known to the Trustee.

Section 8.14 Opportunity of Corporation to Cure Certain Defaults. The Authority and the Trustee hereby grant the Corporation full authority on the account of the Board and/or the Authority to perform any covenant or obligation and to otherwise fulfill any condition the failure or non-performance of which is or is alleged to be a default under Section 8.2(a)(vi) of this Supplemental Indenture, and the Trustee agrees that performance by the Corporation shall be deemed to be performance by the Board and/or the Authority.

ARTICLE IX CONCERNING THE TRUSTEE

Section 9.1 Acceptance of Trusts. The Trustee hereby represents and warrants to the Authority (for the benefit of the Board, the Corporation and the Bondholders as well as the Authority) that it is a bank and trust company duly organized and existing under the laws of the State of Louisiana and that it is duly authorized under such laws to accept and execute trusts of the character herein set out. The Trustee accepts and agrees to execute the trusts imposed upon it by this Supplemental Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Supplemental Indenture including the following express terms and conditions, to all of which the parties hereto and the respective Owners of the Series 2013 Bonds agree:

(a) Except during the continuance of an Event of Default within the purview of Section 8.2, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Supplemental Indenture, and the Trustee shall not be responsible for (x) the legality or enforceability of this Supplemental Indenture (except with respect to performance of its obligations hereunder), the Loan Agreement (except with respect to performance of its obligations hereunder), the Facilities Lease (except with respect to performance of its obligations hereunder), the Tax Regulatory Agreement (except with respect to performance of its obligations thereunder), and any supplement thereto, the Series 2013 Bonds (except as to the authentication of the Series 2013 Bonds), or any instruments or documents related thereto (collectively, the “*Transaction Documents*”) or (y) the legality, perfection, sufficiency or priority of the Trust Estate or any lien purported to be granted thereon under any of the aforesaid documents or otherwise. No implied covenants or obligations shall be read into this Supplemental Indenture against the Trustee.

(b) No provision of this Supplemental Indenture shall be construed to relieve the Trustee from liability for its negligence or willful misconduct, except that:

(i) in the absence of bad faith on the part of the Trustee, the Trustee may rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected fully from liability in relying or acting upon, any resolution, opinion of counsel, certificate, request, notice, consent, waiver, order, signature guaranty, notarial seal, stamp, acknowledgment, verification, appraisal, report or other paper or document believed by the Trustee to be genuine and to have been signed, affixed or

presented by the proper party or parties; but in the case of any such certificates or opinions that by any provision hereby are specifically required to be furnished to the Trustee, as the case may be, the Trustee shall be under a duty to examine the same to determine whether or not they conform to requirements of this Supplemental Indenture;

(ii) in the absence of bad faith on the part of the Trustee, whenever the Trustee, or any of its agents, representatives, experts or counsel, shall consider it necessary or desirable that any matter be proved or established, such matter shall be deemed to be conclusively proved and established by a certificate executed by an Authorized Authority Representative; provided, however, that the Trustee, or such agent, representative, expert or counsel may require, but is not obligated to require, such further and additional evidence and make such further investigation as it or they may consider reasonable;

(iii) the Trustee may consult with counsel and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance with such advice or opinion of counsel;

(iv) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith and in accordance with any direction or request of the Bondholders;

(v) the Trustee shall not be liable for any error of judgment made in good faith by an officer or employee of the Trustee unless the Trustee is negligent in ascertaining the pertinent facts;

(vi) the Trustee shall not be deemed to have knowledge of any Event of Default, except for the failure of the Corporation to make or cause to be made scheduled payments to the Trustee provided for in the Loan Agreement, unless and until an officer of the Trustee who customarily handles corporate trusts and is assigned to supervise this Supplemental Indenture shall have actual knowledge thereof or the Trustee shall have received written advice thereof from any Bondholder;

(vii) anything in any of the Transaction Documents to the contrary notwithstanding, whether or not an Event of Default shall have occurred, the Trustee shall not be under any obligation to take any action under this Supplemental Indenture that may involve it in any expense or liability, the payment of which within a reasonable time is not, in its opinion, assured to it by the security afforded to it by the terms of this Supplemental Indenture, unless it is requested in writing to do so by one or more owners of the Series 2013 Bonds outstanding hereunder and furnished, from time to time as it may require, with security and indemnity satisfactory to it;

(viii) the Trustee need not take any action or follow any direction from any one or more Bondholders if the Trustee shall be advised by counsel that the action or proceedings so directed may not lawfully be taken or would be prejudicial to Bondholders not parties to such direction, or the Trustee in good faith believes following such direction would involve the Trustee in personal liability;

(ix) in no event shall the Trustee be liable to any person for special, indirect, punitive, exemplary or consequential damages, lost profits or loss of business arising under or in connection with this Supplemental Indenture, even if previously informed of the possibility of such damages and regardless of the form of action; and

(x) anything to the contrary in the Transaction Documents notwithstanding, the permissive right of the Trustee to do anything enumerated or set forth in any of the Transaction Documents shall

not be construed as a duty, and the Trustee shall not be held responsible or liable for other than its negligence or willful misconduct.

(c) In case an Event of Default within the purview of Section 8.2 hereof has occurred and is continuing and the Trustee has or is deemed to have knowledge of the Event of Default pursuant to (b)(vi) above, subject to the provisions of this Article IX, the Trustee shall exercise such of the rights and powers vested in it by this Supplemental Indenture and use the degree of care and skill in their exercise as a prudent man would exercise under the circumstances.

(d) Whether or not therein expressly so provided, every provision of this Supplemental Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee, including without limitation Sections 9.3 and 9.4 hereof, shall be subject to the provisions of this Section 9.1. The Trustee also accepts, and agrees to do and perform, the duties and obligations imposed upon it by and under the Loan Agreement, and the Facilities Lease, but only upon the terms and conditions set forth in the Loan Agreement, the Facilities Lease, and this Supplemental Indenture. The rights of the Trustee to do things enumerated in this Supplemental Indenture shall not be construed as a duty.

Section 9.2 Trustee Entitled to Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Supplemental Indenture or under the Loan Agreement, or to enter any appearance in or in any way defend against any suit, in which it may be made a defendant (except in the case of the Trustee's own negligence), or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder or under the Loan Agreement or the Facilities Lease, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Authority shall reimburse the Trustee from funds available therefor under the Loan Agreement for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Authority shall fail to make reimbursement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Supplemental Indenture and shall be entitled to a preference over any of the Series 2013 Bonds.

Section 9.3 Trustee Not Responsible for Insurance, Taxes, Execution of Supplemental Indenture, Acts of the Authority or Application of Moneys Applied in Accordance with this Supplemental Indenture.

(a) The Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Board or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall have no responsibility in respect of the validity, sufficiency, due execution or acknowledgment of this Supplemental Indenture or the validity or sufficiency of the security provided hereunder or in respect of the validity of the Series 2013 Bonds or the due execution or issuance thereof, except as to the authentication thereof.

(b) The Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

(c) The Trustee shall not be liable or responsible because of the failure of the Authority or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Authority or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other depository in which such moneys shall have been deposited under the provisions of this Supplemental Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Series 2013 Bonds or any other moneys deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Supplemental Indenture.

(d) The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 9.4 Compensation. The Trustee shall be entitled to reasonable compensation for its ordinary services hereunder consistent with the results of the process by which the Trustee was selected and any extraordinary services rendered hereunder and to reimbursement for all expenses incurred in good faith hereunder, including the compensation, expenses and disbursements of such agents, representatives, experts and counsel as the Trustee may employ in connection with the exercise and performance of its powers and duties hereunder. Subject to the provisions of any contract relating to the compensation of the Trustee, the Authority shall cause the Board to pay to the Trustee as administrative expenses its reasonable fees and charges as Additional Rent in accordance with the Facilities Lease upon the written request of the Trustee and provided the Authority shall be furnished with sufficient funds to pay all costs and expenses (including attorneys' fees) reasonably incurred by the Authority in connection therewith as such costs and expenses accrue. If the Board shall fail to make any payment required by this Section, the Trustee may, but shall be under no obligation to, make such payment from any moneys in its possession under the provisions of this Supplemental Indenture, and the Trustee shall be entitled to a preference therefor over any of the Series 2013 Bonds Outstanding hereunder.

Section 9.5 Trustee to Preserve Records. All records and files pertaining to the Corporation in the custody of the Trustee shall be open at all reasonable times to the inspection of the Authority, the Board, the Corporation and their agents and representatives.

Section 9.6 Trustee May be Bondholder. The Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in any of the Series 2013 Bonds issued under and secured by this Supplemental Indenture, and may join in the capacity of a Bondholder in any action which any Bondholder may be entitled to take with like effect as if such institution were not the Trustee under this Supplemental Indenture.

Section 9.7 Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the Series 2013 Bonds shall be taken and construed as made by and on the part of the Authority and not by the Trustee, and the Trustee shall not be under any responsibility for the correctness of the same.

Section 9.8 Trustee Responsible for Reinscription. The Trustee, as set forth in the Loan Agreement, is required to reinscribe the Loan Agreement and the Mortgage at such times as shall be necessary to preserve the lien thereof. Under the Loan Agreement, the Corporation has covenanted to cooperate with the Trustee with regard to the foregoing.

Section 9.9 Trustee May Rely on Certificates. Subject to the provisions of Section 9.1(b), the Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Supplemental Indenture, upon any resolution,

order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Loan Agreement or this Supplemental Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert believed by it to be qualified in relation to the subject matter, and the Trustee shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

ARTICLE X
RESERVED

ARTICLE XI
COVENANTS OF AUTHORITY

Section 11.1 Payment of Principal, Premium and Interest. The Authority covenants that it will promptly pay, or cause to be paid, the principal of, premium, if any, and the interest on every Series 2013 Bond at the places, on the dates and in the manner provided herein and in said Series 2013 Bonds according to the true intent and meaning thereof but solely from the revenues of the Trust Estate and not from any other fund or source. The Authority further covenants that it will faithfully perform at all times all of its covenants, undertakings and agreements contained in this Supplemental Indenture, the Loan Agreement or in any Series 2013 Bond executed, authenticated and delivered hereunder or in any proceedings of the Authority pertaining thereto.

Section 11.2 Additional Security. The Authority covenants, whenever and so often as reasonably required to do so by the Trustee, promptly to execute and deliver or cause to be delivered all such other and further instruments, documents or assurances, and to promptly do or cause to be done all such other further things, as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the owners of the Series 2013 Bonds all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Supplemental Indenture.

Section 11.3 Cure Title Defects. The Authority covenants to promptly, upon the request of the Trustee, from time to time, take or cause to be taken such action as may be necessary or proper to remedy or cure any material defect in or cloud upon the title to the Trust Estate or any part thereof, whether now existing or hereafter developing, and to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Trustee and every owner of Series 2013 Bonds, solely from the Trust Estate, harmless from all loss, cost, damage and expense, including attorneys' fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceedings.

Section 11.4 Defend Against Actions. The Authority covenants to defend or cause to be defended every suit, action or proceeding at any time brought against the Trustee or any owner of Series 2013 Bonds upon any claim arising out of the receipt, application or disbursement of any of the revenues of the Trust Estate or involving the Authority's, the Trustee's or such Bondholders' rights under this Supplemental Indenture or the Loan Agreement and to indemnify and save harmless, solely from the Trust Estate, the Trustee and Bondholders against any and all liability claimed or asserted by any person whomsoever, arising out of such receipt, application or disbursement of any such revenues; provided, however, that the Trustee or any owner of Series 2013 Bonds at its or his election may appear in and defend against any such suit, action or proceeding; and notwithstanding any contrary provision hereof, this covenant shall continue and remain in full force and effect until all indebtedness, liabilities, obligations and other sums secured hereby have been fully paid and satisfied, and this Supplemental Indenture has been released of record and the lien hereof discharged.

Section 11.5 Non-Impairment of Security. The Authority covenants that so long as any of the Series 2013 Bonds issued pursuant to this Supplemental Indenture are outstanding and unpaid, the Authority will not voluntarily consent to any amendment to the Loan Agreement or otherwise take any action which will reduce the amount of moneys made available thereunder to the Trustee, or which will in any manner impair or adversely affect the rights of the Authority or the Trustee or the security provided by this Supplemental Indenture to the owners from time to time of the Series 2013 Bonds.

Section 11.6 Authority's Obligation Limited. Nothing in the Loan Agreement or this Supplemental Indenture is intended to require or obligate nor shall anything therein be interpreted to require or obligate the Authority for any purpose or at any time whatsoever, to provide, apply or expend any funds coming into the hands of the Authority other than from the Trust Estate.

ARTICLE XII DEFEASANCE

Section 12.1 Payment.

(a) When all of the Series 2013 Bonds shall have been paid and discharged, and there shall have been paid all fees and charges of the Trustee due or to become due through the date on which the last of the Series 2013 Bonds is retired, then this Supplemental Indenture shall cease, terminate and become null and void, and thereupon the Trustee shall release this Supplemental Indenture including the cancellation and discharge of the lien hereof, and execute and deliver to the Authority such instruments in writing as shall be requisite to satisfy the lien hereof and, if necessary, to enter on the records such satisfaction and discharge and to re-convey to the Authority any property or interest therein or other rights hereby conveyed and such other instruments to evidence such release and discharge as may be reasonably required by the Authority, and the Trustee shall assign and deliver to the Authority any property at the time subject to the lien of this Supplemental Indenture which may then be in its possession, except amounts in any Fund otherwise required to be paid by this Supplemental Indenture and except such cash and investments as are held by the Trustee for the payment of interest and premium, if any, on and retirement of the Series 2013 Bonds.

(b) Notwithstanding the foregoing, the obligation of the Corporation to pay the fees and expenses of the Trustee in accordance with the terms of this Supplemental Indenture shall survive the defeasance of the Series 2013 Bonds, the discharge of this Supplemental Indenture and the termination of the Loan Agreement.

Section 12.2 Provision for Payment. Any Series 2013 Bonds shall be deemed to have been paid and discharged within the meaning of Section 12.1, if the Trustee, or an escrow trustee, shall hold, in trust for and irrevocably committed thereto, moneys or Defeasance Obligations of such maturities and interest payment dates and bearing such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (likewise to be held in trust and committed, except as hereinafter provided), be sufficient for the payment of such Series 2013 Bonds, at their maturity or redemption date, of the principal thereof, together with the redemption premium, if any, and interest accrued to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date then to the date of the tender of such payment; provided, that if any Series 2013 Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provisions satisfactory to the Trustee shall have been duly made for the giving of such notice. Any moneys held in accordance with the provisions of this Section shall be invested only in Defeasance Obligations the maturities or redemption dates and interest payment dates of which, at the option of the owner, shall coincide as nearly as practicable with, but not later than, the time or times at which said

moneys will be required for the aforesaid purposes. Any income or interest earned by the Defeasance Obligations held under this Section shall, as determined by the Trustee or the escrow trustee, to the extent not required for the purposes of this Section, be paid to the Corporation for the Board as overpayment of Payments.

Section 12.3 Certifications. The Authority and the Corporation covenant and agree that they will furnish to the Trustee:

(a) Certificates or opinions made by officers of the Authority and the Corporation required by this Supplemental Indenture stating that provisions of this Article relating to the satisfaction and discharge of this Supplemental Indenture have been fulfilled; and

(b) An opinion of Bond Counsel to the effect that the payment of the Series 2013 Bonds has been provided for in the manner set forth in this Supplemental Indenture and the Loan Agreement and that all obligations of the Authority and the Corporation with respect to the Series 2013 Bonds have been discharged and satisfied; and

(c) In the case of an advance refunding, a mathematical verification prepared by a nationally recognized law firm or firm of independent certified public accountants (or other verification agent satisfactory to the Trustee) that the Defeasance Obligations are sufficient to pay the principal of, premium, if any, and interest on the Series 2013 Bonds which are defeased.

ARTICLE XIII MISCELLANEOUS

Section 13.1 Covenants of Authority Binds its Successors. In the event of the dissolution of the Authority, all of the covenants, stipulations, obligations and agreements contained in this Supplemental Indenture by or on behalf of or for the benefit of the Authority shall bind or inure to the benefit of the successor or successors of the Authority from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word “Authority” as used in this Supplemental Indenture shall include such successor or successors.

Section 13.2 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Supplemental Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, the Corporation, the Board and any Bondholder and their agents and their representatives, any of whom may make copies thereof.

Section 13.3 Parties Interest Herein. Nothing in this Supplemental Indenture expressed or implied, is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Authority, the Trustee, the Corporation and the Bondholders, any right, remedy or claim or by reason of this Supplemental Indenture or any covenant, agreement, condition or stipulation therein.

Section 13.4 No Recourse on the Series 2013 Bonds. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Series 2013 Bonds or for any claim based thereunder or under this Supplemental Indenture against any trustee, director, officer, employee or agent of the Authority or of the Trustee.

Section 13.5 Severability. If any clause, provision or Section of this Supplemental Indenture be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the

remaining clauses, provisions or Sections hereof and this Supplemental Indenture shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Supplemental Indenture be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Authority, the Corporation, or the Board, as the case may be, only to the extent permitted by law.

Section 13.6 Consents and Approvals. Whenever the written consent or approval of the Authority, the Trustee, the Corporation or the Board shall be required under the provisions of this Supplemental Indenture, such consent or approval shall not be unreasonably withheld or delayed.

Section 13.7 Notices. All notices, demands and requests to be given or made hereunder to or by the Authority, the Trustee or the Corporation, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid, and addressed as follows:

If to the Authority: Louisiana Local Government Environmental Facilities and
Community Development Authority
8712 Jefferson Highway, Suite A
Baton Rouge, Louisiana 70809
Attention: Executive Director

If to the Corporation: University Facilities, Inc.
SLU Box 10709
Hammond, Louisiana 70402
Attention: _____

If to the Trustee: The Bank of New York Mellon Trust Company, N.A.
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825
Attention: Corporate Trust

If to the Board: Board of Supervisors for the University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, Louisiana 70802
Attention: Vice President for Business and Finance
With copies at the same time to:

Southeastern Louisiana University
Western Avenue
Friendship Circle (SLU Box 10709)
Hammond, Louisiana 70402
Attention: Vice President for Administration and Finance

If to the Series 2004
Bond Insurer MBIA Insurance Corporation
113 King Street
Armonk, New York 10504

Attention: Portfolio Surveillance – Western Division
Re: Policy No. 44754

(b) Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The above addresses may be changed at any time upon written notice of such change sent by United States mail, postage prepaid, to the other parties by the party effecting the change.

Section 13.8 Notices to Bondholders. Any notices or other communications required or permitted to be given to the Bondholders pursuant to this Supplemental Indenture shall be mailed by first class mail in a sealed envelope, postage prepaid, addressed to each such Bondholder as his address last appears on the Bond Register. In case, by reason of the suspension of or irregularities in regular mail service, it shall be impractical to mail notice to the Bondholders of any event when such notice is required to be given pursuant to any provision of this Supplemental Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of such notice. Any notice herein required may be omitted if the owners of all the Series 2013 Bonds entitled to such notice give to the Trustee a written waiver of such notice.

Section 13.9 Applicable Law. This Supplemental Indenture shall be governed exclusively by the applicable laws of the State.

Section 13.10 Captions. The table of contents, captions and headings of the several articles and sections of this Supplemental Indenture are for convenience only and shall not control, affect the meaning of or be taken as an interpretation of any provisions of this Supplemental Indenture.

Section 13.11 Supplemental Indenture to Constitute a Contract. This Supplemental Indenture, upon execution by the Authority and the Trustee shall constitute a third party beneficiary contract between the Authority and the Trustee for the benefit of the owners of all Series 2013 Bonds issued hereunder.

Section 13.12 Performance on Legal Holidays. In any case where the date of maturity of interest on or principal of the Series 2013 Bonds or the date fixed for redemption or purchase of any Series 2013 Bonds or the date fixed for the giving of notice or the taking of any action under this Supplemental Indenture shall not be a Business Day, then payment of such interest, principal, purchase price and redemption premium, if any, the giving of such notice or the taking of such action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest on such payment shall accrue for the period after such date.

Section 13.13 Continuing Disclosure Certificates. The Board and State have undertaken to comply with continuing disclosure requirements, and the Authority shall have no liability to the holders of the Series 2013 Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Supplemental Indenture, failure of the Board or the State to comply with the terms of its respective Continuing Disclosure Certificate shall not be considered an Event of Default hereunder; however, the Trustee may (and, at the request of the Underwriter (as defined in the Continuing Disclosure Certificate) or the holders of at least a majority in aggregate principal amount of Outstanding Series 2013 Bonds shall), upon being provided indemnity satisfactory to the Trustee, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Board and/or the State to comply with its respective obligations under this Section 13.13. The Trustee shall have no responsibility for the failure of the Board or the State to report any material event and shall have no responsibility as to any determination by the Board or the State of whether any

event would constitute material information for holders of the Series 2013 Bonds; provided, however, that the Trustee hereby agrees to notify the Board in writing on or before November 1 of each year, commencing November 1, 2014, of the Board's obligation to comply with the requirements of Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12.

Section 13.14 Amendments to Original Indenture. Except as specifically stated in this Supplemental Indenture, the provisions hereof are supplemental to the Original Indenture and shall not be deemed to amend or replace any provisions of the Original Indenture.

The Original Indenture is hereby amended as follows:

- (a) The following is added as a new definition to Section 1.1:

“Refunding Bonds” shall mean Additional Bonds issued pursuant to Section 5.2 hereof.

- (b) The following is added as a new Section 13.14 of the Original Indenture:

Section 13.14 Bond Insurer Rights. All rights of the Series 2004 Bond Insurer under the Indenture shall terminate at such time as no Series 2004B Bonds remain outstanding and there are no outstanding obligations due to the Series 2004 Bond Insurer under the Reimbursement Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority has caused this Supplemental Indenture to be executed by its Executive Director and has caused the seal of the Authority to be affixed hereto and attested by its Assistant Secretary and the Trustee has caused this Supplemental Indenture to be executed in its behalf by a Trust Officer and its seal to be impressed hereon, all as of the day and year above written.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY

By: _____
Steve A. Dicharry, Executive Director

ATTEST:

[SEAL]

By: _____
Linda U. Martin, Assistant Secretary

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: _____
Watson T. Barger, Vice President

[SEAL]

EXHIBIT A

FORM OF SERIES 2013 BOND

Unless this Series 2013 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to the Authority or its agent for registration of transfer, exchange, or payment, and any Series 2013 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through The Depository Trust Company, New York, New York, and notwithstanding any other provision of the Indenture to the contrary, this Series 2013 Bond may be transferred in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

*UNITED STATES OF AMERICA
STATE OF LOUISIANA*

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2013

No. RA- 1 \$ _____

| INTEREST RATE | MATURITY DATE | DATED DATE | DATE OF AUTHENTICATION | CUSIP |
|---------------|---------------|------------|------------------------|-------|
| _____ % | _____ | _____ | _____ | _____ |

REGISTERED OWNER: CEDE & CO.
TAX ID#13-2555119

PRINCIPAL AMOUNT: _____

The Louisiana Local Government Environmental Facilities and Community Development Authority (the “Authority”), a political subdivision organized and existing under and by virtue of the constitution and the laws of the State of Louisiana (the “State”), for value received, hereby promises to pay (but only out of the Trust Estate, as defined in the hereinafter described Indenture, and therefrom only to the extent provided for in the Indenture) to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), the Principal Amount (stated above) subject to the rights of prior redemption as provided hereinafter, and interest on said

Principal Amount from the Dated Date specified above or from the most recent Interest Payment Date (as hereinafter defined) on which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for, at the Interest Rate specified above and on the dates set forth herein. The principal of and interest on this Series 2013 Bond are payable in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts. The principal of this Series 2013 Bond shall be payable to the registered owner hereof or his assigns upon surrender hereof at the Corporate Trust Office of The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”). Interest on this Series 2013 Bond, when due and payable, shall be paid by check or draft mailed by the Trustee on the interest payment date to the person in whose name this Series 2013 Bond is registered, at the address as it appears on the Bond Register maintained by the Trustee at the close of business on January 15 or July 15, as the case may be next preceding such interest payment date, or if such day shall not be a Business Day, the next preceding Business Day (the “Record Date”) irrespective of any transfer or exchange of this Series 2013 Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall default in payment of interest due on such interest payment date, provided that an owner of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds may request payment by wire transfer if such owner has requested such payment in writing to the Trustee, which request shall be made no later than the Record Date and shall include all relevant bank account information and shall otherwise be acceptable to the Trustee. Such notice shall be irrevocable until a new notice is delivered not later than a Record Date. In the event of a default, such defaulted interest shall be payable on a payment date established by the Trustee to the person in whose name this Series 2013 Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owner of this Series 2013 Bond not fewer than fifteen (15) days preceding such special record date.

This Series 2013 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by a duly authorized representative of the Trustee.

This Series 2013 Bond is one of the duly authorized issue of the Authority’s Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”), issued under and secured by the Indenture (hereinafter defined) pursuant to which the Authority is issuing \$_____ aggregate principal amount of said revenue bonds on behalf of University Facilities, Inc., a nonprofit corporation (the “*Corporation*”) for the purpose of: (i) refunding the Series 2004A Bonds (as hereinafter defined) and (ii) paying the costs of issuance of the Series 2013 Bonds.

Pursuant to the Original Indenture (as hereinafter defined), the Authority issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) for the purposes of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.

The proceeds of the Series 2013 Bonds have been loaned to the Corporation pursuant to a Loan and Assignment Agreement dated as of August 1, 2004 (the “*Original Loan Agreement*”), as supplemented and amended by a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 (the “*Supplemental Loan Agreement*” and, together with the Original Loan Agreement, the “*Loan Agreement*”), each between the Authority and the Corporation, for the foregoing purposes. The Board of Supervisors for the

University of Louisiana System (the “*Board*”), acting on behalf of the University, has leased the land upon which the Facilities are located on the campus of the University (the “*Land*”) and the Facilities to the Corporation pursuant to an Amended and Restated Ground and Buildings Lease Agreement dated as of November 1, 2013 (the “*Ground Lease*”), and has leased the Facilities from the Corporation pursuant to an Amended and Restated Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the “*Facilities Lease*”).

The Series 2013 Bonds are issued pursuant to the laws of the State, particularly Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 4548.16, inclusive) (the “*LCDA Act*”), Chapters 14 and 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “*Refunding Act*” and, together with the LCDA Act, the “*Act*”) and pursuant to a Trust Indenture dated August 1, 2004 (the “*Original Indenture*”), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2013 (the “*Supplemental Indenture*” and, together with the Original Indenture, the “*Indenture*”), each between the Authority and the Trustee, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, and to which Indenture reference is hereby made for a more complete description of the assigned revenues constituting the Trust Estate, the nature and extent of the security, the terms and conditions under which the Series 2013 Bonds are issued and secured, the terms and conditions under which Additional Bonds may be issued and secured, the rights, duties and immunities of the Trustee and the rights of the registered owners of the Series 2013 Bonds. The registered owner of this Series 2013 Bond shall have no rights to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture, and by acceptance of this Series 2013 Bond, the owner hereof assents to all of the provisions of the Indenture and the Assignment (hereinafter defined). All terms not defined herein shall have the meanings assigned thereto in the Indenture.

The Series 2013 Bonds have been issued on a parity with the Series 2004B Bonds under the Indenture.

The Series 2013 Bonds are issuable as fully registered bonds without coupons, in Authorized Denominations, and shall be numbered from No. R-1 upwards. The Series 2013 Bonds are limited and special revenue obligations of the Authority and are payable solely from (i) payments received by the Authority from the Corporation pursuant to the Agreement (except however, the Authority’s rights to exculpation, indemnification and payment of expenses by the Corporation under the Agreement) and (ii) all funds held by the Trustee under the Indenture and available for such payment, said payments and funds being herein referred to as the “*Trust Estate*.” The Agreement, a fully executed counterpart of which is on file in the principal corporate trust office of the Trustee, provides that the Corporation is unconditionally obligated to make payments, but solely from the Payments (as defined in the Agreement) in an aggregate amount sufficient, for the payment in full of the principal and interest of all Series 2013 Bonds issued and outstanding under the Indenture, to the date of payment thereof, and certain costs, expenses and charges of the Authority and the Trustee. The Agreement imposes upon the Corporation certain obligations respecting the use and operation of its Facilities and the maintenance and repair of said Facilities.

THE SERIES 2013 BONDS AND THE INTEREST THEREON ARE LIMITED AND SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. THE SERIES 2013 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED FOR IN THE LOAN AGREEMENT AND THE INDENTURE. THE ISSUANCE OF THE

SERIES 2013 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION OF THEIR PAYMENT. THE ISSUER HAS NO POWER TO TAX.

As long as any of the Series 2013 Bonds remain outstanding, there shall be permitted the exchange of Series 2013 Bonds at the principal corporate trust office of the Trustee. Any Series 2013 Bond or Series 2013 Bonds upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of other Bonds in Authorized Denominations.

For every such exchange or transfer of Series 2013 Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Trustee shall not be required to register the transfer or exchange of (a) any Series 2013 Bonds during the fifteen (15) day period next preceding the selection of Series 2013 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2013 Bonds selected for redemption, or (b) any Series 2013 Bonds selected, called or being called for redemption in whole or in part, except in the case of any Series 2013 Bond to be redeemed in part, the portion thereof not so to be redeemed.

REDEMPTION PROVISIONS

Optional Redemption

The Series 2013 Bonds are subject to redemption prior to maturity at the option of the Authority, upon written direction from the Board, on or after August 1, 20__, as a whole or in part at any time, and in any order of maturity directed in writing by the University Representative, and at a price equal to the principal amount thereof so redeemed plus accrued and unpaid interest to the date of redemption, without premium

Mandatory Redemption

(i) If the Board shall purchase the Corporation's leasehold interest in the Facilities pursuant to the Facilities Lease, the Series 2013 Bonds shall be redeemed as a whole and shall be redeemed on the later of (a) August 1, 2014, or (b) the earliest practicable date, but not more than sixty (60) days, after such purchase, and in any event, at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest to the date of redemption, without premium.

(ii) The Series 2013 Bonds shall be redeemed as a whole or in part (in Authorized Denominations) on the first Interest Payment Date at least thirty (30) days after the Trustee receives notice that any insurance proceeds or proceeds received as a result of Expropriation proceedings with respect to the Facilities will not be applied to the restoration, repair or reconstruction of the Facilities at a price equal to the principal amount of the Series 2013 Bonds so redeemed plus accrued and unpaid interest thereon to the date of redemption, without premium, in an aggregate principal amount equal to the amount of such insurance proceeds, or Expropriation proceeds not used for restoration, repair or reconstruction. If the amount of any insurance proceeds or Expropriation proceeds to be applied in redemption of the Series 2013 Bonds is not an Authorized Denomination, the principal amount of Series 2013 Bonds to be redeemed pursuant to this subsection (b) shall be decreased to the next lower Authorized Denomination. The Series 2004 Bonds will be so redeemed in the following order:

first, Auction Rate Bonds; second, Variable Rate Bonds, third, Series 2004C Bonds; fourth, Series 2004B Bonds that bear interest at a Fixed Rate; and fifth, the Series 2013 Bonds.

Mandatory Sinking Fund Redemption.

The Series 2013 Bonds maturing on August 1, 20__, shall be subject to mandatory redemption and payment on a *pro rata* basis prior to maturity on August 1 in each of the years set forth below at a price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date, without premium:

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|----------------------------|-----------------------------|
|----------------------------|-----------------------------|

If on any occasion less than all of the Series 2013 Bonds then outstanding shall be redeemed pursuant to the optional or mandatory redemption provisions described in the Indenture, then the principal amount of the Series 2013 Bonds so redeemed shall be considered to have satisfied a portion of the mandatory sinking fund redemptions required by the above tables. The principal amounts required by the tables above shall be adjusted downward in the amount of principal redeemed in chronological order beginning on the mandatory sinking fund redemption date immediately succeeding the date of such optional redemption.

Unless otherwise specified above, if less than all of the Series 2013 Bonds shall be called for redemption, the maturity of the Series 2013 Bonds to be redeemed shall be designated by the Corporation, on behalf of the Board, and selected by the Trustee within a maturity in such manner as the Trustee may determine; provided, however, that the portion of any Series 2013 Bond to be redeemed shall be in the principal amount of an Authorized Denomination. If a portion of any Series 2013 Bond shall be called for redemption, a new Series 2013 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

At least thirty (30) days before the redemption date of any Series 2013 Bonds redeemed other than by mandatory sinking fund redemption, the Trustee shall cause a notice of any such redemption, signed by an authorized officer of the Trustee to be mailed, postage prepaid, to all Bondholders of record owning Series 2013 Bonds to be redeemed in whole or in part, at their addresses as they appear on the Bond Register, but any defect in such mailing of any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2013 Bonds then outstanding shall be called for redemption, the numbers of such Series 2013 Bonds to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Series 2013 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2013 Bond, a new Series 2013 Bond in principal amount equal to the unredeemed portion of such Series 2013 Bond will be issued.

Modifications or alterations of the Indenture or any agreement supplemental thereto or of the Agreement or any agreement supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement. So long as no event of nonperformance under the Agreement has occurred and is continuing, no such supplement shall become effective unless the Corporation, on behalf of the Board, shall have given its prior written approval.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2013 Bond, do exist, have happened and have been performed in regular and due form as required by law.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Louisiana Local Government Environmental Facilities and Community Development Authority has caused this Series 2013 Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal or a facsimile thereof to be hereto affixed or printed, and attested by the manual or facsimile signature of its Secretary-Treasurer on _____, 20__.

LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY

[S E A L]

By _____
Executive Director

Attest:

Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This Series 2013 Bond is one of the Series 2013 Bonds described in the within mentioned Indenture.

Date of Authentication:

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

_____, 20__

By: _____
Authorized Trust Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification
or Social Security Number of Assignee)

the within Series 2013 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the Series 2013 within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by: _____

NOTICE: Signature must be guaranteed by a
Participant in the Securities Transfer Agent
Medallion Program.

NOTICE: The signature to this assignment must
correspond with the name as it appears on the face
of the within Series 2013 Bond in every particular,
without alteration, enlargement or any change
whatever.

TRANSFER FEE MAY BE REQUIRED

LEGAL OPINION CERTIFICATE

I, the undersigned Chairman of the Louisiana Local Government Environmental Facilities and Community Development Authority, do hereby certify that attached hereto are true copies of the complete legal opinion of Jones Walker LLP, Baton Rouge, Louisiana, Bond Counsel, the originals of which were manually executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue described therein and were delivered to the original purchaser thereof. I further certify that executed copies of the above-referenced legal opinions are on file in my office and that executed copies thereof have been furnished to the Trustee for these Series 2013 Bonds.

By: _____
Executive Director

CERTIFICATE OF UNDERWRITER
RELATING TO LEASE AMENDMENTS

\$40,910,000

Louisiana Local Government Environmental
Facilities and Community Development Authority
Revenue Refunding Bonds

(Southeastern Louisiana University Student Housing – University Facilities, Inc. Project)
Series 2013

The Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Authority*”) issued its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing – University Facilities, Inc. Project) Series 2004A (the “*Series 2004A Bonds*”) and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the “*Series 2004B Bonds*”) and, together with the Series 2004A Bonds, the “*Series 2004 Bonds*”) pursuant to a Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”) by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the “*Trustee*”). The Series 2004 Bonds are insured by a financial guaranty insurance policy issued by National Public Finance Guaranty, as reinsurer and agent of MBIA Insurance Corporation (the “*Series 2004 Bond Insurer*”).

The proceeds of the Series 2004 Bonds were used for the purpose of financing the cost of acquiring immovable property and financing the development, design, construction and equipping of new student housing facilities (the “*Facilities*”) for Southeastern Louisiana University (the “*University*”) located on immovable property owned by, or subject to the supervision and management of the Board of Supervisors for the University of Louisiana System (the “*Board*”) in the City of Hammond, Parish of Tangipahoa, Louisiana, which Facilities have been leased to the Board on behalf of the University.

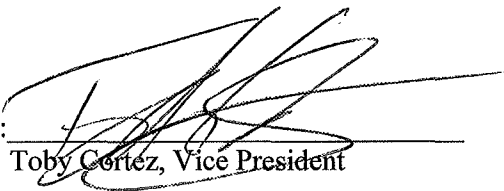
The Board is leasing the Property to the Corporation pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the “*Original Ground Lease*”), as supplemented and amended by the First Amendment to Ground and Buildings Lease Agreement dated as of March 1, 2007 (the “*First Amendment to Ground Lease*”), as supplemented and amended by a Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the “*Second Amendment to Ground Lease*” and, together with the Original Ground Lease and the First Amendment to Ground Lease, the “*Existing Ground Lease*”). The Facilities are leased by the Corporation to the Board pursuant to an Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the “*Original Facilities Lease*”), as supplemented and amended by a First Amendment to Agreement to Lease with Option to Purchase dated as of March 1, 2007 (the “*First Amendment to Facilities Lease*”), as further supplemented and amended by a Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the “*Second Amendment to Facilities Lease*” and, together with the Original Facilities Lease and the First Amendment to Facilities Lease, the “*Existing Facilities Lease*”).

Pursuant to a First Supplemental Trust Indenture dated as of November 1, 2013 by and between the Authority and the Trustee (the “*First Supplemental Indenture*”), the Authority is supplementing the Existing Indenture in order to issue its \$40,910,000 Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 for the purpose of refunding the Series 2004A Bonds. In connection with the issuance of the Series 2013 Bonds, the Corporation and the Board are entering into a Third Supplemental Ground and Buildings Lease Agreement dated as of November 1, 2013 (the “*Third Supplemental Ground Lease*”) and a Third Supplemental Agreement to Lease with Option to Purchase dated as of November 1, 2013 (the “*Third Supplemental Facilities Lease*”).

Stephens Inc., on its own behalf and on behalf of Raymond James & Associates, Inc. (collectively, the “*Underwriters*”) hereby advises the Trustee that the supplements to the Existing Ground Lease and the Existing Facilities Lease contained in the Third Supplemental Ground Lease and the Third Supplemental Facilities Lease are not materially adverse to the interests of the Series 2004 Bond Insurer or the owners of the Series 2004 Bonds.

The Series 2013 Bonds are being issued for the purposes of achieving debt service savings for the Corporation. The reduction of the interest rate paid by the Corporation resulting from the issuance of the Series 2013 Bonds and the corresponding execution of the Third Supplemental Ground Lease and Third Supplemental Facilities Lease will not have a negative impact on the cash flows upon which the rating for the Series 2004 Bonds is based. As a result, the modification of the Existing Ground Lease and the Existing Facilities Lease by the Third Supplemental Ground Lease and the Third Supplemental Facilities Lease, respectively, will not be materially adverse to the interests of the Series 2004 Bond Insurer, the or the owners of the Series 2004 Bonds.

STEPHENS INC.

By: 
Toby Cortez, Vice President

Dated November 13, 2012

MOODY'S

INVESTORS SERVICE

New Issue: Moody's assigns A3 to Southeastern Louisiana University's \$40.9M of Series 2013 Revenue Bonds; outlook stable

Global Credit Research - 25 Oct 2013

\$93.9M pro-forma rated debt

SOUTHEASTERN LOUISIANA UNIVERSITY, LA
Public Colleges & Universities
LA

Moody's Rating

| ISSUE | RATING |
|---|---------------|
| Student Housing Revenue Refunding Bonds, Series 2013 | A3 |
| Sale Amount \$40,900,000 | |
| Expected Sale Date 11/05/13 | |
| Rating Description Revenue: Public University Limited Pledge | |

Moody's Outlook STA

Opinion

NEW YORK, October 25, 2013 --Moody's Investors Service has assigned an A3 rating to Southeastern Louisiana University's (Southeastern) \$40.9 million of Series 2013 Student Housing Revenue Refunding bonds to be issued through the Louisiana Local Government Environmental Facilities and Community Development Authority. Moody's has affirmed the A3 rating on the university's outstanding rated debt (see RATED DEBT section). The A3 rating and stable outlook reflect the university's role as a moderate sized regional public university with demonstrated ability of management to adjust to revenue declines.

SUMMARY RATING RATIONALE

The A3 rating reflects Southeastern's market position as a regional public university with growing freshman demand combined with management's conservative budgeting and nimbleness driving positive cash flow despite multiple years of state cuts, including midyear reductions. The rating also incorporates ongoing volatility in state funding, growth of postemployment benefits as a share of state operating support, narrow revenue pledged to bondholders, and constrained financial flexibility from thin financial resources.

STRENGTHS

*Conservative financial management with demonstrated ability to reduce expenses has enabled favorable operating cash flow despite multiple years of state funding cuts, including midyear reductions.

*Demographic trends in the university's primary recruitment area are favorable relative to other regions in the state leading to growing freshman demand.

*Occupancy at university housing is at or near capacity and, although pledged revenue is narrow compared to total revenue, the university generates sufficient debt service coverage.

CHALLENGES

*Budgetary flexibility is reduced due to declining state appropriations, with annual reductions since FY 2009, including midyear cuts. Multiple years of expense reductions also result in limited future financial flexibility.

*A large and growing other post-employment (OPEB) liability depressed net assets, driving expendable financial resources to be negative, and comprises an increasing share of state appropriations.

*The university is leveraged relative to peers, a planned spend down of at least \$7.5 million of reserves to pay down a portion of the Series 2004A bonds, will further erode financial resources.

*Although the university has the authority to implement annual tuition and fee increases of up to 10%, ongoing increases of this magnitude will affect market position and erode the university's competitiveness.

DETAILED CREDIT DISCUSSION

USE OF BOND PROCEEDS: Proceeds from the Series 2013 revenue bonds will be used to refund a portion of the university's outstanding Series 2004A revenue bonds and to pay the costs of issuance for the bonds. A portion (\$7.5 million) of the university's outstanding Series 2004A revenue bonds will be refunded through an equity contribution from the university.

LEGAL SECURITY:

The Series 2013 bonds are payable from lease payments from the Board of Supervisors of the University of Louisiana System (board) to University Facilities, Inc. (UFI). Housing system revenues are the primary source of debt repayment, but lease payments are payable from all lawfully available funds of the university including auxiliary revenues. The pledge excludes state appropriations and tuition and fee revenue. The obligation of the board on behalf of the university to pay rental to UFI is dependent on the board receiving appropriations in its annual budget request to the legislature, of funds necessary to make payments of rental required under the facilities lease agreement. The bonds are secured by a first mortgage lien on the housing and auxiliary facilities.

The board covenants to maintain debt service coverage ratio of 1.25 times. The debt service reserve fund for the current issuance is to be funded at the time of issuance in an amount equal to the lesser of i) 10% of the proceeds of the Series 2013 Bonds, ii) maximum annual debt service on the Series 2013 Bonds, or iii) 125% of the average annual debt service on the Series 2013 Bonds. The bonds will be on parity with the Series 2004B revenue bonds. Debt service coverage in FY 2013 for the Series 2004 bonds was 1.49 times from housing revenues only and 1.91 times from all auxiliary revenues (included in lawfully available funds).

The university's other rated debt includes the Series 2011, Series 2010, and the Series 2007 bonds. In FY 2013, pledged revenues provided 1.51 times debt service coverage for the Series 2011 bonds; 1.47 times for the Series 2010 bonds, and 1.47 times for the Series 2007 bonds. For further details on the legal security for outstanding rated debt, please refer to Moody's report for the university dated November 13, 2011.

DEBT STRUCTURE: The majority (84%) of the university's pro-forma debt is amortizing, fixed rate bonds with up to 30 year maturities. The university has \$15 million of Series 2004B bonds (16% of direct debt) in an auction rate mode with interest rate reset weekly. The current rate of interest is 175% of SIFMA, and under the trust indenture for the Series 2004 bonds the maximum allowed rate is 12%.

INTEREST RATE DERIVATIVES: None

MARKET POSITION: REGIONAL PUBLIC UNIVERSITY WITH MODEST ENROLLMENT DECLINES

Southeastern's regional market reputation combined with favorable local demographics have contributed to only modest enrollment pressure relative to local competitors. The increased size of the incoming freshman class and increasing transfer student enrollment combined with higher admissions standards should improve retention thereby stabilizing or modestly growing enrollment over time. A large majority (80%) of the university's enrollment is from a seven parish region with favorable population growth amongst high school students, contrary to demographic projections for the State of Louisiana. The university has favorable selectivity and high yield on accepted students (76% in fall 2013) indicating that the university is the first choice among a large proportion of applicants.

Despite growing freshman demand, annual tuition increases of 10% have led to market stress, evident in a 5% decline in total enrollment to 12,563 full-time equivalent (FTE) students in fall 2013. We expect the university's market position will be adversely affected by planned tuition increases. Southeastern serves a needy population and the university is highly reliant on Pell Grant funding (36% of FY 2013 net tuition revenue). Management attributes a portion of enrollment declines to low retention (63% in fall 2013). Although various initiatives are underway to increase retention rates, weakening freshman to sophomore retention is also driven by students' affordability concerns.

OPERATING PERFORMANCE: DECLINES IN STATE SUPPORT OFFSET BY EXPENSE REDUCTIONS

AND TUITION INCREASES

Southeastern Louisiana University generates favorable operating cash flow (9.4% in FY 2013, draft financial statements) due to conservative financial management practices, ongoing expense reductions, and healthy tuition increases. The university maintained generally stable operations over multiple years of volatile state operating support. Holding open vacant positions, program and course realignment or elimination, and reduction of some faculty and staff, drove expenses down. After multiple years of decreasing expenses, the university has limited capacity for further reduction without affecting its market position or accreditation.

Four consecutive years of cuts in state operating appropriations, including midyear reductions, is a key credit challenge for the university. Appropriations comprised 29% of total operations in 2013, down from a high of 49% in FY 2009. In FY 2014, state appropriations were \$6.3 million lower than in FY 2013 but the impact of this reduction was partially offset through a one-time appropriation of \$1.1 million from state surpluses, and through the ability to charge a utility surcharge expected to offset approximately \$1.5 million in utility expenses in FY 2014. Moody's rates the State of Louisiana Aa2 stable and the rating reflects the states rapid response to downward revenue projections, low unemployment relative to the nation, elevated oil prices and conservative debt policies. The rating also reflects the dwindling impact of a post-Katrina reconstruction boost; continued budget gaps due to underperforming revenues; and the state's challenges in dealing with rising Medicaid and fixed costs. For further information on the State of Louisiana please refer to Moody's April 23, 2013 report.

The adoption of the LA GRAD Act in 2010 allowed the university greater financial flexibility by allowing public universities to increase tuition and fees up to 10% annually until they reach a regional peer average, if they agree to meet certain performance measures. As a result net tuition revenue has grown as a proportion of operating revenue (57% in FY 2013, relative to 37% in FY 2009), but the impact on the university's market position is becoming increasingly evident in total enrollment declines.

BALANCE SHEET POSITION: FINANCIAL RESOURCES DEPRESSED BY RECOGNITION OF LARGE POST-EMPLOYMENT HEALTH LIABILITY

The university's net asset measures are depressed due to a large and growing OPEB liability although total cash and investments of \$79 million in FY 2013 provided adequate coverage (84%) of \$93.9 million pro-forma debt. On a relative basis however the university's balance sheet is weak relative to peers, although the state granted improved financial flexibility in FY 2011 which could help foster growth over the long-run. Beginning in FY 2011, public universities in Louisiana are able to retain surpluses and carry forwarded balances. Balance sheet growth would be credit positive, particularly given the State's history of volatile funding for higher education based on economic conditions. Management reports that planning for a capital campaign is underway although no target amount has been finalized.

As part of the current transaction the university plans to refund a large portion of the currently outstanding Series 2004A bonds (approximately \$52 million at FYE 2013) through issuance of approximately \$41 million of revenue refunding bonds. An equity contribution of \$7.5 million further reduces outstanding debt. Although reduction of outstanding debt and reduction of operating and balance sheet leverage is credit positive, spend down of resources further depresses already weak financial resources. There are no plans for additional debt within the next 18 -24 months. Financial resource calculations include the resources held at the university's primary fund-raising foundation, the Southeastern University Development Foundation. Draft FY 2013 financial statements from the foundation contribute \$28.5 million to total financial resources at the university.

MANAGEMENT AND GOVERNANCE: CONSERVATIVE FINANCIAL MANAGEMENT PRACTICES NEEDED TO MITIGATE OPERATIONAL CHALLENGES

University management and leadership have successfully managed stable operations at a time of great volatility in the university's market position and in state operating appropriations. This is a credit positive, however the university will have to find new avenues for cost containment to balance budgets. The old model of steadily implementing tuition increases to cope with volatility in appropriations is unsustainable given the sensitivity of the university's primary market to tuition increases. Management employs many favorable financial management practices, including budgeting conservatively for debt service payments, and building reserves from housing and auxiliary surpluses (housing is currently at 100% occupancy) without having to enforce the freshman residency requirement.

Senior leadership at the university has extensive experience and tenure with Southeastern. A new board president was appointed in January 2013.

Outlook

The stable outlook incorporates expectations of stable cash flow generation leading to sound debt service coverage and growth in Southeastern's primary recruiting area. We expect management will continue to balance operations despite state appropriation challenges and that moderate pressure on enrollment will continue as the university implements more stringent admission standards (in 2014).

WHAT COULD MAKE THE RATING GO UP

Upward rating pressure would come from a significant increase in financial resources, continued healthy cash flow, and continued growth of student generated revenue.

WHAT COULD MAKE THE RATING GO DOWN

The rating could be downgraded if operations were to deteriorate, financial reserves were to narrow, or student generated revenue growth weakened.

KEY INDICATORS: FY 2013 draft financial data, fall 2013 enrollment data

Full Time Equivalent (FTE) Enrollment: 12,563 students

Primary Selectivity: 57.3%

Primary Matriculation: 75.9%

Net tuition per student: \$4,350

Educational Expenses per Student: \$9,314

Average Gifts per Student: \$105

Total Cash and Investments: \$86.4 million

Total Pro-forma Direct Debt: \$93.9 million

Total Pro-forma Comprehensive Debt: \$95.6 million

Expendable Financial Resources to Pro-forma Debt: -0.17 times

Expendable Financial Resources to Operations: -0.11 times

Monthly Days Cash on Hand: 118.3 days

Operating Revenue: \$134.5 million

Operating Cash Flow Margin: 9.4%

Three-Year Average Debt Service Coverage: 2.91 times

Reliance on Student Charges Revenue (% of Moody's Adjusted Operating Revenue): 56.9%

State of Louisiana GO Rating: Aa2 Stable

*Comprehensive Debt includes direct debt and operating leases

RATED DEBT:

Student Housing / University Facilities, Inc. Project Revenue Bonds, Series 2013: A3

Revenue Refunding Bonds, Series 2011: A3

Student Housing / University Facilities, Inc. Project Revenue Bonds, Series 2010A, 2010B: A3; insured by Assured Guaranty Municipal Corp. (rated A2 stable)

Student Housing / University Facilities, Inc. Project Revenue Bonds, Series 2004A, 2004B, 2007A, 2007B: A3; insured by National Public Finance Guarantee Corporation, formerly MBIA (rated Baa1 positive)

PRINCIPAL RATING METHODOLOGY

The principal methodology used in this rating was U.S. Not-for-Profit Private and Public Higher Education published in August 2011. An additional methodology used in this rating was The Fundamentals of Credit Analysis for Lease-Backed Municipal Obligations published in December 2011. Please see the Credit Policy page on www.moodys.com for a copy of these methodologies.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moodys.com for additional regulatory disclosures for each credit rating.

Analysts

Faiza Mawjee
Lead Analyst
Public Finance Group
Moody's Investors Service

Dennis M. Gephardt
Backup Analyst
Public Finance Group
Moody's Investors Service

Karen Kedem
Additional Contact
Public Finance Group
Moody's Investors Service

Contacts

Journalists: (212) 553-0376
Research Clients: (212) 553-1653

Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
USA

MOODY'S
INVESTORS SERVICE

© 2013 Moody's Investors Service, Inc. and/or its licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. ("MIS") AND ITS AFFILIATES ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND CREDIT RATINGS AND RESEARCH PUBLICATIONS PUBLISHED BY MOODY'S ("MOODY'S PUBLICATIONS") MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND MOODY'S OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. CREDIT RATINGS AND MOODY'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR MOODY'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLISHES MOODY'S PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources Moody's considers to be reliable, including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process. Under no circumstances shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The ratings, financial reporting analysis, projections, and other observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. Each user of the information contained herein must make its own study and evaluation of each security it may consider purchasing, holding or selling. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

MIS, a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MIS have, prior to assignment of any rating, agreed to pay to MIS for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Shareholder Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

For Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail clients. It would be dangerous for retail clients to make any investment decision based on MOODY'S credit rating. If in doubt you should contact your financial or other professional adviser.

LCDA
Revenue Refunding Bonds
SELU Student Housing/Univ Facilities, Inc. Series 2013 Ref 2004A

Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I |
|--------------|------------------------|----------|------------------------|------------------------|
| 02/01/2014 | - | - | 382,673.96 | 382,673.96 |
| 08/01/2014 | 2,685,000.00 | 2.261% | 883,093.75 | 3,568,093.75 |
| 02/01/2015 | - | - | 852,743.75 | 852,743.75 |
| 08/01/2015 | 2,750,000.00 | 3.000% | 852,743.75 | 3,602,743.75 |
| 02/01/2016 | - | - | 811,493.75 | 811,493.75 |
| 08/01/2016 | 2,855,000.00 | 4.000% | 811,493.75 | 3,666,493.75 |
| 02/01/2017 | - | - | 754,393.75 | 754,393.75 |
| 08/01/2017 | 2,970,000.00 | 4.000% | 754,393.75 | 3,724,393.75 |
| 02/01/2018 | - | - | 694,993.75 | 694,993.75 |
| 08/01/2018 | 3,105,000.00 | 5.000% | 694,993.75 | 3,799,993.75 |
| 02/01/2019 | - | - | 617,368.75 | 617,368.75 |
| 08/01/2019 | 3,265,000.00 | 5.000% | 617,368.75 | 3,882,368.75 |
| 02/01/2020 | - | - | 535,743.75 | 535,743.75 |
| 08/01/2020 | 3,415,000.00 | 5.000% | 535,743.75 | 3,950,743.75 |
| 02/01/2021 | - | - | 450,368.75 | 450,368.75 |
| 08/01/2021 | 3,585,000.00 | 5.000% | 450,368.75 | 4,035,368.75 |
| 02/01/2022 | - | - | 360,743.75 | 360,743.75 |
| 08/01/2022 | 3,775,000.00 | 5.000% | 360,743.75 | 4,135,743.75 |
| 02/01/2023 | - | - | 266,368.75 | 266,368.75 |
| 08/01/2023 | 3,935,000.00 | 4.091% | 266,368.75 | 4,201,368.75 |
| 02/01/2024 | - | - | 185,887.50 | 185,887.50 |
| 08/01/2024 | 4,105,000.00 | 4.706% | 185,887.50 | 4,290,887.50 |
| 02/01/2025 | - | - | 89,300.00 | 89,300.00 |
| 08/01/2025 | 4,295,000.00 | 4.000% | 89,300.00 | 4,384,300.00 |
| 02/01/2026 | - | - | 3,400.00 | 3,400.00 |
| 08/01/2026 | 170,000.00 | 4.000% | 3,400.00 | 173,400.00 |
| Total | \$40,910,000.00 | - | \$12,511,380.21 | \$53,421,380.21 |

Yield Statistics

| | |
|--|--------------|
| Bond Year Dollars..... | \$276,968.83 |
| Average Life..... | 6.770 Years |
| Average Coupon..... | 4.5172520% |
| Net Interest Cost (NIC)..... | 3.4277645% |
| True Interest Cost (TIC)..... | 3.2640521% |
| Bond Yield for Arbitrage Purposes..... | 3.1293334% |
| All Inclusive Cost (AIC)..... | 3.3919167% |
| IRS Form 8038 | |
| Net Interest Cost..... | 3.0816560% |
| Weighted Average Maturity..... | 6.749 Years |

CONSENT OF BOND INSURER

In connection with

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

and

\$5,545,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT
AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.:
PHASE FOUR PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT
AUTHORITY REVENUE BONDS (SOUTHEASTERN
LOUISIANA UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.:
PHASE FOUR PARKING PROJECT)
SERIES 2007B

The undersigned duly authorized officer of National Public Finance Guarantee, as reinsurer and agent for MBIA Insurance Corporation (“MBIA”) hereby certifies as follows:

1. MBIA issued its Financial Guaranty Insurance Policy Number 44754 with respect to the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A (the “Series 2004A Bonds”), its Financial Guaranty Insurance Policy Number 44755 with respect to the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the “Series 2004B Bonds”) and its Financial Guaranty Insurance Policy Number 44756 with respect to the \$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004C (the “Series 2004C Bonds” and, together with the Series 2004A Bonds and the Series 2004B Bonds, the “Series 2004 Bonds”), said Series 2004 Bonds being issued on August 13, 2004.

2. MBIA also issued its Financial Guaranty Insurance Policy Number 492820 with respect to the \$5,545,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series 2007A (the “Series 2007A Bonds”) and its Financial Guaranty Insurance Policy Number 492830 with respect to the \$2,490,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc.: Phase Four Parking Project) Series

2007B (the “*Series 2007B Bonds*” and, together with the Series 2007A Bonds, the “*Series 2007 Bonds*”), said Series 2007 Bonds being issued on March 14, 2007.

3. MBIA has been provided with copies of that certain Trust Indenture dated as of August 1, 2004 (the “*Original Indenture*”), by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the “*Issuer*”) and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (the “*Trustee*”) pursuant to which the Series 2004 Bonds were issued, together with a form of a First Supplemental Trust Indenture (the “*Supplemental Indenture*”) dated as of November 1, 2013 by and between the Issuer and the Trustee, supplementing the Indenture for the purposes of securing the Issuer’s Revenue Refunding Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2013 (the “*Series 2013 Bonds*”), the proceeds of which will be used to advance refund the Series 2004A Bonds (the “*Refunded Bonds*”). Capitalized terms used herein and not otherwise defined shall have the meaning given such terms by the Original Indenture.

4. MBIA has also been provided with copies of the following:

(i) the Loan and Assignment Agreement dated as of August 1, 2004 and executed in connection with the issuance of the Series 2004 Bonds (the “*Series 2004 Loan Agreement*”), the Loan and Assignment Agreement dated as of March 1, 2007 and executed in connection with the issuance of the Series 2007 Bonds and executed in connection with the issuance of the Series 2007 Bonds (the “*Series 2007 Loan Agreement*”), together with the form of a First Supplemental Loan and Assignment Agreement dated as of November 1, 2013 supplementing and amending the Series 2004 Loan Agreement (the “*Supplemental Loan Agreement*”) each by and between the Issuer and the University Facilities, Inc. (the “*Corporation*”);

(ii) the Ground and Buildings Lease Agreement dated as of August 1, 2004 (the “*Original Ground Lease*”), as amended by that certain First Amendment to Ground and Buildings Lease Agreement effective as of March 1, 2007 (the “*First Amendment to Ground Lease*”), as further amended by that certain Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 (the “*Second Amendment to Ground Lease*” and, together with the Original Ground Lease and the First Amendment to Ground Lease, the “*Existing Ground Lease*”), together with the form of a Third Supplemental Ground and Buildings Lease Agreement (the “*Third Supplemental Ground Lease*”) each by and between the Board of Supervisors for the University of Louisiana System (the “*Board*”) and the Corporation; and

(iii) the Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the “*Original Facilities Lease*”), as amended by the First Amendment to Agreement Lease with Option to Purchase effective as of March 1, 2007 (the “*First Amendment to Facilities Lease*”), as further amended by the Second Amendment to Agreement to Lease with Option to Purchase dated as of June 12, 2012 (the “*Second Amendment to Facilities Lease*” and, together with the Original Facilities Lease and the First Amendment to Facilities Lease, the “*Existing Facilities Lease*”), together with the form of a Third Supplemental Agreement to Lease with Option to Purchase (the “*Third Supplemental Facilities Lease*”), each by and between the Board and the Corporation.

5. MBIA has been asked to consent to the supplements and amendments to the Series 2004 Loan Agreement, the Existing Ground Lease and the Existing Facilities Lease included in the Supplemental Loan Agreement, Third Supplemental Ground Lease and Third Supplemental Facilities Lease pursuant to the requirements of Section 8.03 of the Series 2004 Loan Agreement, Section 8.03 of the Series 2007 Loan Agreement, Section 18.15 of the Existing Ground Lease and Section 31 of the Existing Facilities Lease.

6. MBIA hereby consents to the execution and delivery by the Corporation of the Supplemental Loan Agreement, the Third Supplemental Ground Lease and the Third Supplemental Facilities Lease for purposes of Section 8.03 of the Series 2004 Loan Agreement, Section 8.03 of the Series 2007 Loan Agreement, Section 18.15 of the Existing Ground Lease and Section 31 of the Existing Facilities Lease in connection with the issuance of the Series 2013 Bonds.

7. MBIA hereby consents to the verification of the sufficiency of the U.S. Treasury Securities - State and Local Government Series ("SLGS") deposited to the Escrow Fund (as defined in the Supplemental Indenture) by The Arbitrage Group, Inc. (the "Verification Agent") for purposes of Section 12.3 of the Original Indenture; provided, however, that MBIA expresses no opinion as to the accuracy of the report of the Verification Agent.

Dated: Nov-6, 2013

NATIONAL PUBLIC FINANCE GUARANTEE,
as reinsurer and agent for MBIA

By: Barbara Fickburg
Authorized Officer

CONSENT TO AMENDMENT OF LOAN AGREEMENT

\$60,985,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004A

\$15,000,000

Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Bonds
(Southeastern Louisiana University Student Housing/
University Facilities, Inc. Project)
Series 2004B

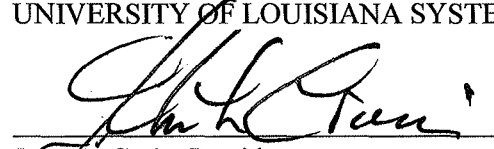
Reference is hereby made to that certain Trust Indenture dated as of August 1, 2004 (the "*Original Indenture*"), between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "*Trustee*"), in connection with the issuance by the Issuer of its \$60,985,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*") and its \$15,000,000 Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and, together with the Series 2004A Bonds, the "*Prior Bonds*"). Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Original Indenture.

In connection with the advance refunding of the Series 2004A Bonds, the Loan and Assignment Agreement dated as of August 1, 2004 between the Issuer and the University Facilities, Inc. (the "*Original Loan Agreement*") will be supplemented and amended (the "*Supplemental Loan Agreement*"). Section 3.04 of the Original Loan Agreement provides that consent of the Board is required for execution of the Supplemental Loan Agreement.

The undersigned, on behalf of the Board, hereby consents to the execution of the Supplemental Loan Agreement.

Dated November 13, 2013

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM



John L. Crain, President
Southeastern Louisiana University and
Authorized Board Representative

Closing Memorandum

To: Working Group

From: Toby Cortez & Whitney Kling

Date: November 8, 2013

Re: \$40,910,000 Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Refunding Bonds (Southeastern Louisiana University Student Housing /
University Facilities Inc. Project) Series 2013

GENERAL INFORMATION:

Pre-closing will be Tuesday, November 12th at 3:00 p.m. and closing will be Wednesday, November 13th at 9:30 a.m. at the following address:

Jones Walker, LLP
8555 United Plaza Blvd
Baton Rouge, LA 70809

PAYMENT INSTRUCTIONS:

Wednesday, November 13, 2013:

Stephens Inc. is to perform the following tasks:

Stephens Inc. will make payment at closing by Federal Funds Wire (same day funds) as follows:

(1) Wire Instructions: Bank of New York Mellon Trust Company (Trustee) **\$43,927,540.85**
(Par (\$40,910,000.00), plus Net Reoffering Premium (\$3,314,138.35), less Underwriter's Discount
(\$296,597.50))

| | |
|---------------|------------------------------------|
| Bank: | Bank of New York Mellon |
| ABA #: | 021000018 |
| Account # | GLA # 211065 |
| Final Credit: | TAS # 168291 SLU Bond Proceed Fund |
| Attn: | Kathy Pine 225-379-7353 |

University Facilities Inc. / Southeastern University is to perform the following tasks:

University Facilities Inc. / Southeastern University will make payment at closing by Federal Funds Wire (same day funds) as follows:

(1) Wire Instructions: Bank of New York Mellon Trust Company (Trustee) **\$7,500,000.00**
(Issuer Contribution)

Bank: Bank of New York Mellon
ABA #: 021000018
Account #: GLA # 211065
Final Credit: TAS # 168291 SLU Bond Proceed Fund
Attn: Kathy Pine 225-379-7353

Bank of New York Mellon Trust Company is to perform the following tasks:

Bank of New York Mellon Trust Company is to transfer from the prior Series 2004A Funds listed below to the 2013 Escrow Fund. The below amount should be transferred into the Series 2013 Escrow Fund:

| | |
|---|--------------|
| From Series 2004 Debt Service Reserve Fund: | 3,765,837.50 |
| From Series 2004A Project Fund | 762,582.09 |
| From Series 2004A Principal Fund: | 490,000.00 |
| From Series 2004A Interest Fund: | 626,134.38 |

Bank of New York Mellon Trust Company is to deposit the following funds into the Series 2013 Accounts/Funds from the Series 2013 Bond Proceeds Fund (BPF):

| | |
|--|---------------|
| Series 2013 Escrow Fund: | 49,055,504.21 |
| Series 2013 Cost of Issuance Account of the Series 2013 BPF: | 326,536.64 |
| Series 2013 Debt Service Reserve Fund: | 2,045,500.00 |

INDEX OF DOCUMENTS
SECOND AMENDMENT OF GROUND LEASE AND FACILITIES LEASE
WITH RESPECT TO ISSUANCE OF

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

KEY TO ABBREVIATIONS:

| | |
|--------------------|---|
| Bonds: | Above-captioned Bonds |
| Issuer: | Louisiana Local Government Environmental Facilities and Community Development Authority |
| Corporation: | University Facilities, Inc. |
| Board: | Board of Supervisors for the University of Louisiana System |
| Board Counsel: | DeCuir, Clark & Adams, L.L.P. |
| University: | Southeastern Louisiana University |
| Financial Advisor: | Sisung Securities Corporation |
| Bond Counsel: | Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P. |
| Underwriter: | Morgan Keegan & Company, Inc. |
| Trustee: | The Bank of New York Mellon Trust company, N.A. |
| Bond Insurer: | National Public Finance Guarantee Corporation (as successor to MBIA Insurance Corporation) |

AMENDMENT DOCUMENTATION

1. Second Amendment to Ground and Buildings Lease Agreement dated as of June 12, 2012 by and between Board on behalf of the University, as Lessor, and the Corporation, as Lessee, including Tangipahoa Parish Recording Page.
2. Second Amendment to Lease with Option to Purchase dated as of June 12, 2012 by and between the Corporation, as Lessor, and the Board, as Lessee.
3. Consent of Bond Insurer dated June 6, 2012, recorded as an exhibit to the Ground and Buildings Lease Agreement.
4. Resolution of the Board adopted April 24, 2012 authorizing execution of the Amendments.
5. Resolution of the Corporation adopted May 16, 2012 authorizing execution of the Amendments.
6. Notice to Rating Agency and Bond Insurer dated May 24, 2012.
7. Opinion of Bond Counsel with respect to execution of the Amendments and compliance with requirements of the Indenture as defined therein.

Bond Counsel Contact:

Fred L. Chevalier, Esq.
Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P.
8555 United Plaza Blvd, Suite 500
Baton Rouge, Louisiana 70809
Telephone: 225-248-2046
E-mail: fchevalier@joneswalker.com

Tangipahoa Parish Recording Page

Julian E. Dufreche
Clerk of Court
P. O. Box 667
110 North Bay Street, Suite 100
Amite, LA 70422
(985) 748-4146

Received From :
JONES WALKER

First VENDOR

BOARD OF SUPERVISORS

First VENDEE

UNIVERSITY FACILITIES INC

Index Type : Conveyances

Instrument # : 887917

Type of Document : Conveyance Doc (More Than 10
Pages)

Book : 1299 Page : 141

Recording Pages : 12

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for
Tangipahoa Parish, Louisiana

s/SHAWNIE HUTCHINSON

Deputy Clerk

On (Recorded Date) : 12/10/2012

At (Recorded Time) : 12:09:50:000 PM



Doc ID - 010488940012

CLERK OF COURT
JULIAN E. DUFRECHE
Parish of Tangipahoa

I certify that this is a true copy of the attached
document that was filed for registry and
Recorded 12/10/2012 at 12:09:50
Recorded in Book 1299 Page 141
File Number 887917

Deputy Clerk



Return To :

SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

and

UNIVERSITY FACILITIES, INC.

dated as of June 12, 2012

relative to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

This SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT (this "*Second Amendment*") is made and entered into effective as of June 12, 2012, by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM, a public constitutional corporation organized and existing under the laws of the State of Louisiana (the "*Board*"), acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by John L. Crain, President of the University and duly authorized Board representative, and UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by Joseph Morris, its Executive Director (the "*Corporation*").

WITNESSETH:

WHEREAS, the Board entered into a Ground and Buildings Lease Agreement with the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), which was amended by a First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation, dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Ground Lease*");

WHEREAS, pursuant to the Ground Lease and pursuant to La. R.S. 17:3361 through 17:3366, as amended, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase, between the Corporation and the Board, dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Facilities Lease*");

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Indenture*") and a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*"), between the Issuer and the Corporation, the Issuer issued and loaned to the Corporation the proceeds from the sale of the Issuer's \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series

2004B Bonds and any Additional Bonds, the “*Bonds*”);

WHEREAS, the proceeds of the Bonds were used to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Facilities*”), (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to a Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds;

WHEREAS, the full renovation of a building on the campus of the University known as Cardinal Newman Hall (the “*Cardinal Newman Project*”) was included in the description of the Facilities to be constructed or renovated with the proceeds of the Bond which was attached as Exhibit D to the Ground Lease;

WHEREAS, the Cardinal Newman Project was removed from the Ground Lease by the First Amendment to Ground Lease in 2007, because it was not feasible to complete the Cardinal Newman Project at that time;

WHEREAS, it is now feasible to complete the Cardinal Newman Project and the Board desires to add the Cardinal Newman Project back to the Ground Lease so that it may be financed with proceeds of the Bonds remaining in the Project Fund;

WHEREAS, Section 18.31 of the Ground Lease grants the Board the right to amend the Ground Lease;

WHEREAS, the Board desires to amend the Ground Lease in order to amend and replace in its entirety the description of the Facilities, attached as Exhibit D to the Ground Lease; and

WHEREAS, Section 8.03 of the Loan Agreement requires the written consent of MBIA Insurance Corporation, bond insurer for the Bonds (the “*Bond Insurer*”), to amend the Ground Lease in order to amend and replace Exhibit D to the Ground Lease in its entirety, and the Bond Insurer has consented as referenced in the Consent of Bond Insurer dated June 6, 2012, which is attached hereto for recordation along with this Second Amendment.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE 1
AMENDMENT TO GROUND AND BUILDINGS LEASE

Section 1.1 Amendment and Restatement of Exhibit D of the Ground Lease. Exhibit D to the Ground Lease is hereby deleted, and the “Revised Exhibit D” attached to this Second Amendment is hereby substituted therefor.

ARTICLE 2
MISCELLANEOUS

Section 2.1 Capitalized Terms. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Ground Lease.

Section 2.2 Effect on the Agreement. This Second Amendment shall amend and supersede the Ground Lease to the extent of the terms hereof. The Ground Lease, except as amended and superseded hereby, is and shall remain in full force and effect. In the event of a conflict of the terms of this Second Amendment and the Ground Lease, the terms of this Second Amendment shall control.

Section 2.3 Applicable Law. This Second Amendment shall be construed in accordance with and governed for all purposes by the laws of the State of Louisiana without giving effect to the principal of conflict of laws thereof.

Section 2.4 Counterparts. This Second Amendment may be executed in multiple counterparts, each of which, when considered with the others, shall constitute a complete Second Amendment.

Section 2.5 Recordation of Amendment. This Second Amendment shall be recorded in the Conveyance Records of the Parish of Tangipahoa, State of Louisiana, and the parties hereto specifically authorize and request the Clerk of Court and Register of Conveyances in and for the Parish of Tangipahoa, State of Louisiana, to make mention of this Second Amendment in the margin of the records of the Memorandum of Ground Lease recorded at Instrument No. 672169, Book 994, Page 32 as well as in the margin of the records of the Memorandum of Ground Lease regarding the First Amendment to Ground Lease at Instrument No. 745731, Book 1091, Page 480.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

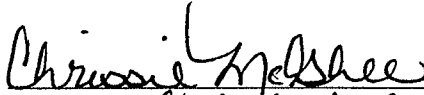
PARISH OF TANGIPAHOA


STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of the Board of Supervisors for the University of Louisiana System in Hammond, Louisiana on the 13th day of June, 2012.


WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM



Print Name: Chrissie McGhee


Print Name: ROSS S. BARBIER

By:



John L. Crain
University President and
Authorized Board Representative



NOTARY PUBLIC
PRINTED NAME: Cecene Pregrant
NOTARY ID NUMBER: 010443
MY COMMISSION EXPIRES: AT DEATH

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of University Facilities, Inc., in Hammond, Louisiana on the 13th day of June, 2012.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Rebekah Nuccio
Print Name: Rebekah J. Nuccio

J Bell
Print Name: Juanita C. Ballard

By: *Joseph J. Morris*
Name: Joseph Morris
Title: Executive Director

Jm
NOTARY PUBLIC
PRINTED NAME: *Christie Piegant*
NOTARY ID NUMBER: *010443*
MY COMMISSION EXPIRES: *AT DEATH*

REVISED EXHIBIT D

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)
2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square foot maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)

2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom /

one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

CONSENT OF BOND INSURER

in connection with

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

and

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

The undersigned duly authorized officer of National Public Finance Guarantee, as reinsurer and agent for MBIA Insurance Corporation (“*MBIA*”) hereby certifies as follows:

1. MBIA issued its Financial Guaranty Insurance Policy Number 44754 with respect to the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A (the “*Series 2004A Bonds*”), its Financial Guaranty Insurance Policy Number 44755 with respect to the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the “*Series 2004B Bonds*”) and its Financial Guaranty Insurance Policy Number 44756 with respect to the \$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004C (the “*Series 2004C Bonds*” and, together with the Series 2004A Bonds and the Series 2004B Bonds, the “*Series 2004 Bonds*”), said Series 2004 Bonds being issued on August 13, 2004.

2. MBIA has been provided with copies of the following:

(i) the Trust Indenture dated as of August 1, 2004 by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A. (the "*Indenture*") pursuant to which the Series 2004 Bonds were issued;

(ii) the Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*") by and between the Issuer and the University Facilities, Inc. (the "*Corporation*");

(iii) the Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as amended by that certain First Amendment to Ground and Buildings Lease Agreement effective as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Existing Ground Lease*"), together with the form of a Second Amendment to Ground and Buildings Lease Agreement (the "*Second Amendment to Ground Lease*") each by and between the Board of Supervisors for the Louisiana Community and Technical College System (the "*Board*") and the Corporation; and

(iv) the Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as amended by the First Amendment to Lease with Option to Purchase Agreement effective as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Existing Facilities Lease*"), together with the form of a Second Amendment to Agreement to Lease with Option to Purchase (the "*Second Amendment to Facilities Lease*"), each by and between the Board and the Corporation.

3. In connection with the amendment of the description of the Facilities (as defined in the Existing Facilities Lease) to add the renovation of Cardinal Newman Hall, MBIA has been asked to consent to the amendments to Existing Ground Lease and Existing Facilities Lease embodied in the Second Amendment to Ground Lease and Second Amendment to Facilities Lease pursuant to Section 8.03 of the Loan Agreement.

4. MBIA hereby consents to the execution and delivery by the Corporation of the Second Amendment to Ground Lease and the Second Amendment to Facilities Lease for purposes of Section 8.03 of the Loan Agreement in connection with the addition of the renovation of Cardinal Newman Hall to the description of the Facilities in the Existing Ground Lease and the Existing Facilities Lease.

Dated: June 6, 2012

National Public Finance Guarantee,
as reinsurer and agent for MBIA

By: Rubana Fikrunjey
Authorized Officer

SECOND AMENDMENT TO
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.

and

BOARD OF SUPERVISORS FOR
THE UNIVERSITY OF LOUISIANA SYSTEM,

dated as of June 12, 2012

relative to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

SECOND AMENDMENT TO AGREEMENT TO
LEASE WITH OPTION TO PURCHASE

This SECOND AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE (this "*Second Amendment*") is made and entered into effective as of June 11, 2012, by and between UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by its Executive Director, Joseph Morris (the "*Corporation*") and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by John L. Crain, President of the University and duly authorized Board representative.

WITNESSETH:

WHEREAS, the Board entered into a Ground and Buildings Lease Agreement with the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), which was amended by a First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation, dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Ground Lease*");

WHEREAS, pursuant to the Ground Lease and pursuant to La. R.S. 17:3361 through 17:3366, as amended, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation (the "*Original Facilities Lease*"), as amended by that certain First Amendment to Agreement to Lease with Option to Purchase, between the Corporation and the Board, dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Facilities Lease*");

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Indenture*") and a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*"), between the Issuer and the Corporation, the Issuer issued and loaned to the Corporation the proceeds from the sale of the Issuer's \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project)

Series 2004C (the “*Series 2004C Bonds*” and, together with the Series 2004A Bonds, the Series 2004B Bonds and any Additional Bonds, the “*Bonds*”);

WHEREAS, the proceeds of the Bonds were used to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Facilities*”), (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to a Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds;

WHEREAS, the full renovation of a building on the campus of the University known as Cardinal Newman Hall (the “*Cardinal Newman Project*”) was included in the description of the Facilities to be constructed or renovated with the proceeds of the Bond which was attached as Exhibit A to the Facilities Lease;

WHEREAS, the Cardinal Newman Project was removed from the Facilities Lease by the First Amendment to Facilities Lease in 2007, because it was not feasible to complete the Cardinal Newman Project at that time;

WHEREAS, it is now feasible to complete the Cardinal Newman Project and the Board desires to add the Cardinal Newman Project back to the Facilities Lease so that it may be financed with proceeds of the Bonds remaining in the Project Fund;

WHEREAS, Section 31 of the Facilities Lease grants the Board the right to amend the Facilities Lease;

WHEREAS, the Board desires to amend the Facilities Lease in order to amend and replace in its entirety the description of the Facilities, attached as Exhibit A to the Facilities Lease; and

WHEREAS, Section 8.03 of the Loan Agreement requires the written consent of MBIA Insurance Corporation, bond insurer for the Bonds (the “*Bond Insurer*”), to amend the Facilities Lease in order to amend and replace Exhibit A to the Facilities Lease in its entirety, and the Bond Insurer has consented as referenced in the Consent of Bond Insurer dated June 6, 2012, a copy of which is attached hereto.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE 1
AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE

Section 1.1 Exhibit A of the Facilities Lease. Exhibit A to the Facilities Lease is hereby deleted, and the “Revised Exhibit A” attached to this Second Amendment is hereby substituted therefor.

ARTICLE 2
MISCELLANEOUS

Section 2.1 Capitalized Terms. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Facilities Lease.

Section 2.2 Effect on the Agreement. This Second Amendment shall amend and supersede the Facilities Lease to the extent of the terms hereof. The Facilities Lease, except as amended and superseded hereby, is and shall remain in full force and effect. In the event of a conflict of the terms of this Second Amendment and the Facilities Lease, the terms of this Second Amendment shall control.

Section 2.3 Applicable Law. This Second Amendment shall be construed in accordance with and governed for all purposes by the laws of the State of Louisiana without giving effect to the principal of conflict of laws thereof.

Section 2.4 Counterparts. This Second Amendment may be executed in multiple counterparts, each of which, when considered with the others, shall constitute a complete Second Amendment.

Section 2.5 Recordation of Amendment. This Second Amendment shall be recorded in such places as may be required by law in order to fully protect and preserve the security of the holders or owners of the Bonds.

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of University Facilities, Inc., in Hammond, Louisiana on the 13th day of June, 2012.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Rebekah Nuccio
Print Name: Rebekah Nuccio

J. Ballard
Print Name: Juanita C. Ballard

By: Joseph J. Morris
Name: Joseph Morris
Title: Executive Director

Gene Progeant
NOTARY PUBLIC
PRINTED NAME: Gene Progeant
NOTARY ID NUMBER: 010443
MY COMMISSION EXPIRES: At Death

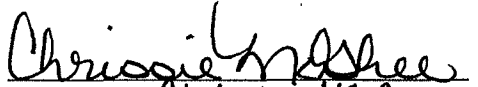
PARISH OF TANGIPAHOA

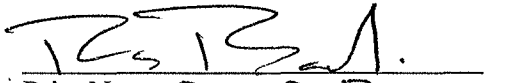
STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of the Board of Supervisors for the University of Louisiana System in Hammond, Louisiana on the 13th day of June, 2012.

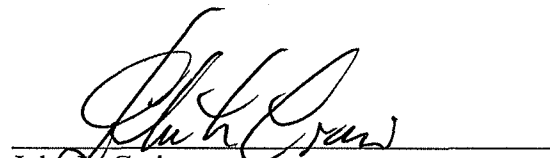
WITNESSES:


BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM


Print Name: Chrissie Mc Gee


Print Name: ROSS S. BARBIER

By:


John L. Crain
President of the University and
Authorized Board Representative


NOTARY PUBLIC
PRINTED NAME: Gene Pregelant
NOTARY ID NUMBER: 010443
MY COMMISSION EXPIRES: At Death

REVISED EXHIBIT A

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:

- (a) Holloway Smith Hall (to occur March, 2004)
- (b) Hammond Hall (to occur March, 2004)
- (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide

approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

CONSENT OF BOND INSURER

in connection with

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

and

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

The undersigned duly authorized officer of National Public Finance Guarantee, as reinsurer and agent for MBIA Insurance Corporation (“*MBIA*”) hereby certifies as follows:

1. MBIA issued its Financial Guaranty Insurance Policy Number 44754 with respect to the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A (the “*Series 2004A Bonds*”), its Financial Guaranty Insurance Policy Number 44755 with respect to the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the “*Series 2004B Bonds*”) and its Financial Guaranty Insurance Policy Number 44756 with respect to the \$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004C (the “*Series 2004C Bonds*” and, together with the Series 2004A Bonds and the Series 2004B Bonds, the “*Series 2004 Bonds*”), said Series 2004 Bonds being issued on August 13, 2004.

2. MBIA has been provided with copies of the following:

(i) the Trust Indenture dated as of August 1, 2004 by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A. (the "*Indenture*") pursuant to which the Series 2004 Bonds were issued;

(ii) the Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*") by and between the Issuer and the University Facilities, Inc. (the "*Corporation*");

(iii) the Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as amended by that certain First Amendment to Ground and Buildings Lease Agreement effective as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Existing Ground Lease*"), together with the form of a Second Amendment to Ground and Buildings Lease Agreement (the "*Second Amendment to Ground Lease*") each by and between the Board of Supervisors for the Louisiana Community and Technical College System (the "*Board*") and the Corporation; and

(iv) the Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as amended by the First Amendment to Lease with Option to Purchase Agreement effective as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Existing Facilities Lease*"), together with the form of a Second Amendment to Agreement to Lease with Option to Purchase (the "*Second Amendment to Facilities Lease*"), each by and between the Board and the Corporation.

3. In connection with the amendment of the description of the Facilities (as defined in the Existing Facilities Lease) to add the renovation of Cardinal Newman Hall, MBIA has been asked to consent to the amendments to Existing Ground Lease and Existing Facilities Lease embodied in the Second Amendment to Ground Lease and Second Amendment to Facilities Lease pursuant to Section 8.03 of the Loan Agreement.

4. MBIA hereby consents to the execution and delivery by the Corporation of the Second Amendment to Ground Lease and the Second Amendment to Facilities Lease for purposes of Section 8.03 of the Loan Agreement in connection with the addition of the renovation of Cardinal Newman Hall to the description of the Facilities in the Existing Ground Lease and the Existing Facilities Lease.

Dated: June 6, 2012

National Public Finance Guarantee,
as reinsurer and agent for MBIA

By: Barbara Flanagan
Authorized Officer

CONSENT OF BOND INSURER

in connection with

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

and

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

The undersigned duly authorized officer of National Public Finance Guarantee, as reinsurer and agent for MBIA Insurance Corporation (“*MBIA*”) hereby certifies as follows:

1. MBIA issued its Financial Guaranty Insurance Policy Number 44754 with respect to the \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A (the “*Series 2004A Bonds*”), its Financial Guaranty Insurance Policy Number 44755 with respect to the \$15,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004B (the “*Series 2004B Bonds*”) and its Financial Guaranty Insurance Policy Number 44756 with respect to the \$925,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004C (the “*Series 2004C Bonds*” and, together with the Series 2004A Bonds and the Series 2004B Bonds, the “*Series 2004 Bonds*”), said Series 2004 Bonds being issued on August 13, 2004.

2. MBIA has been provided with copies of the following:

(i) the Trust Indenture dated as of August 1, 2004 by and between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A. (the "*Indenture*") pursuant to which the Series 2004 Bonds were issued;

(ii) the Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*") by and between the Issuer and the University Facilities, Inc. (the "*Corporation*");

(iii) the Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as amended by that certain First Amendment to Ground and Buildings Lease Agreement effective as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Existing Ground Lease*"), together with the form of a Second Amendment to Ground and Buildings Lease Agreement (the "*Second Amendment to Ground Lease*") each by and between the Board of Supervisors for the Louisiana Community and Technical College System (the "*Board*") and the Corporation; and

(iv) the Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as amended by the First Amendment to Lease with Option to Purchase Agreement effective as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Existing Facilities Lease*"), together with the form of a Second Amendment to Agreement to Lease with Option to Purchase (the "*Second Amendment to Facilities Lease*"), each by and between the Board and the Corporation.

3. In connection with the amendment of the description of the Facilities (as defined in the Existing Facilities Lease) to add the renovation of Cardinal Newman Hall, MBIA has been asked to consent to the amendments to Existing Ground Lease and Existing Facilities Lease embodied in the Second Amendment to Ground Lease and Second Amendment to Facilities Lease pursuant to Section 8.03 of the Loan Agreement.

4. MBIA hereby consents to the execution and delivery by the Corporation of the Second Amendment to Ground Lease and the Second Amendment to Facilities Lease for purposes of Section 8.03 of the Loan Agreement in connection with the addition of the renovation of Cardinal Newman Hall to the description of the Facilities in the Existing Ground Lease and the Existing Facilities Lease.

Dated: June 6, 2012

National Public Finance Guarantee,
as reinsurer and agent for MBIA

By: Rabban Flukunye
Authorized Officer

**RESOLUTION OF THE
BOARD OF DIRECTORS OF
UNIVERSITY FACILITIES, INC.**

WHEREAS, to accomplish the funding of demolition of outmoded facilities and construction of new student housing and related facilities (the "*Facilities*") for the students of Southeastern Louisiana University (the "*University*"), University Facilities, Inc. (the "*Corporation*") entered into a certain Ground and Building Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as amended by a First Amendment to Ground and Building Lease Agreement by and between the Board of Supervisors for the University of Louisiana System (the "*Board*") and the Corporation dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Existing Ground Lease*") and entered into a certain Agreement to Lease with Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as amended by a First Amendment to Agreement to Lease with Option to Purchase by and between the Board and the Corporation dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Existing Facilities Lease*") whereby property was leased from the Board to the Corporation in order to renovate, acquire, demolish and/or construct the Facilities, which Facilities were leased back to the Board by the Corporation; and

WHEREAS, the Corporation financed the construction of the Facilities using the proceeds of bonds (the "*Bonds*") issued by Louisiana Local Government Environmental Facilities and Community Development Authority;

WHEREAS, the Original Ground Lease and the Original Facilities Lease included the renovation of Cardinal Newman Hall on the list of projects to be financed with the proceeds of the Bonds;

WHEREAS, at the time of the execution of the First Amendment to Ground Lease and the First Amendment to Facilities Lease, the description of Facilities was amended to exclude the renovation of Cardinal Newman Hall from the list of Facilities to be financed with the Bonds as it was determined by the University and the Board that it was not feasible to renovate Cardinal Newman Hall at that time;

WHEREAS, the University and the Corporation have now determined that it is feasible to proceed with the renovation Cardinal Newman Hall as contemplated by the Original Ground Lease and Original Facilities Lease;

WHEREAS, the University and the Corporation now desire to amend the Existing Ground Lease and the Existing Facilities Lease to add the renovation of Cardinal Newman Hall back to the list of Facilities allowed to be financed with remaining proceeds of the Bonds; and

WHEREAS, certain notices are required to be given in connection with the execution of amendments to the Existing Ground Lease and the Existing Facilities Lease, including notice to the Rating Agency and to the Bond Insurer regarding the Bonds (the "Notice").

NOW, THEREFORE:

RESOLVED, any actions previously taken by Corporation are hereby confirmed and ratified.

RESOLVED, the Second Amendment to Ground and Building Lease Agreement and the Second Amendment to Agreement Lease with Option to Purchase, in substantially the forms attached hereto as Exhibit A and Exhibit B, respectively, subject to such changes as may be approved by bond counsel and counsel to the Corporation are hereby approved.

RESOLVED, the Chairperson, Vice-Chairperson or Secretary of the Board of Directors of the Corporation are hereby authorized to execute the Second Amendment to Ground and Building Lease Agreement, the Second Amendment to Agreement to Lease with Option to Purchase, the Notice and any certificates, documents or other items necessary in connection therewith.

RESOLVED, the Chairperson, Vice-Chairperson, Secretary and any other authorized representatives be and hereby are authorized and empowered to take such further action, and to execute and deliver any and all such other notices, acknowledgements, certificates, instruments, or documents solely in the name and on behalf of the Corporation to cause the Corporation to incur all such fees and expenses and pay all compensation due as they, or any of them, shall deem required, necessary or expedient to effectuate the purpose of any and all provisions of the foregoing resolutions.

CERTIFICATE

I, Joseph Morris, Executive Director of the Board of Directors of University Facilities, Inc. DO HEREBY CERTIFY that the foregoing constitutes a true and correct copy of the Resolution adopted by the Board of Directors of the Corporation at its meeting on May 11, 2012, which meeting was duly called, noticed and held and at which meeting a quorum was present and voting.

IN FAITH WHEREOF, witness my official signature on this, the 16th day of May, 2012.

Joseph Morris
Name: Joseph Morris
Title: Executive Director

EXHIBIT A
FORM OF SECOND AMENDMENT TO GROUND LEASE

FORM OF
SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

and

UNIVERSITY FACILITIES, INC.

dated as of May __, 2012

relative to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

This SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT (this "*Second Amendment*") is made and entered into effective as of May __, 2012, by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM, a public constitutional corporation organized and existing under the laws of the State of Louisiana (the "*Board*"), acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by _____, _____ of the University, duly authorized, and UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by _____, its Chairperson, (the "*Corporation*").

WITNESSETH:

WHEREAS, the Board entered into a Ground and Buildings Lease Agreement with the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), which was amended by a First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation, dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Ground Lease*");

WHEREAS, pursuant to the Ground Lease and pursuant to La. R.S. 17:3361 through 17:3366, as amended, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase, between the Corporation and the Board, dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Facilities Lease*");

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Indenture*") and a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*"), between the Issuer and the Corporation, the Issuer issued and loaned to the Corporation the proceeds from the sale of the Issuer's \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series 2004B Bonds and any Additional Bonds, the "*Bonds*");

WHEREAS, the proceeds of the Bonds were used to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Facilities*”), (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to a Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds;

WHEREAS, the full renovation of a building on the campus of the University known as Cardinal Newman Hall (the “*Cardinal Newman Project*”) was included in the description of the Facilities to be constructed or renovated with the proceeds of the Bond which was attached as Exhibit D to the Ground Lease;

WHEREAS, the Cardinal Newman Project was removed from the Ground Lease by the First Amendment to Ground Lease in 2007, because it was not feasible to complete the Cardinal Newman Project at that time;

WHEREAS, it is now feasible to complete the Cardinal Newman Project and the Board desires to add the Cardinal Newman Project back to the Ground Lease so that it may be financed with proceeds of the Bonds remaining in the Project Fund;

WHEREAS, Section 18.31 of the Ground Lease grants the Board the right to amend the Ground Lease;

WHEREAS, the Board desires to amend the Ground Lease in order to amend and replace in its entirety the description of the Facilities, attached as Exhibit D to the Ground Lease; and

WHEREAS, Section 8.03 of the Loan Agreement requires the written consent of MBIA Insurance Corporation, bond insurer for the Bonds (the “*Bond Insurer*”), to amend the Ground Lease in order to amend and replace Exhibit D to the Ground Lease in its entirety, and the Bond Insurer has consented as referenced in the Consent of Bond Insurer dated April __, 2012 and recorded in the Office of the Clerk and Register of Conveyances of Tangipahoa Parish, State of Louisiana, on May __, 2012 in CB _____, Page _____, Instrument No. _____.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE 1
AMENDMENT TO GROUND AND BUILDINGS LEASE

Section 1.1 Amendment and Restatement of Exhibit D of the Ground Lease. Exhibit D to the Ground Lease is hereby deleted, and the “Revised Exhibit D” attached to this Second Amendment is hereby substituted therefor.

ARTICLE 2
MISCELLANEOUS

Section 2.1 Capitalized Terms. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Ground Lease.

Section 2.2 Effect on the Agreement. This Second Amendment shall amend and supersede the Ground Lease to the extent of the terms hereof. The Ground Lease, except as amended and superseded hereby, is and shall remain in full force and effect. In the event of a conflict of the terms of this Second Amendment and the Ground Lease, the terms of this Second Amendment shall control.

Section 2.3 Applicable Law. This Second Amendment shall be construed in accordance with and governed for all purposes by the laws of the State of Louisiana without giving effect to the principal of conflict of laws thereof.

Section 2.4 Counterparts. This Second Amendment may be executed in multiple counterparts, each of which, when considered with the others, shall constitute a complete Second Amendment.

Section 2.5 Recordation of Amendment. This Second Amendment shall be recorded in the Conveyance Records of the Parish of Tangipahoa, State of Louisiana, and the parties hereto specifically authorize and request the Clerk of Court and Register of Conveyances in and for the Parish of Lafourche, State of Louisiana, to make mention of this Second Amendment in the margin of the records of the Memorandum of Ground Lease at Instrument No. _____, CB _____, page ____.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of the Board of Supervisors for the University of Louisiana System in _____, Louisiana on the ____ day of May, 2012.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

Print Name: _____

Print Name: _____

By: _____
Name: _____
Title: _____

NOTARY PUBLIC

PRINTED NAME: _____

NOTARY ID NUMBER: _____

MY COMMISSION EXPIRES: _____

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of University Facilities, Inc., in _____, Louisiana on the ____ day of May, 2012.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Print Name: _____

Print Name: _____

By: _____
Name:
Title:

NOTARY PUBLIC

PRINTED NAME: _____

NOTARY ID NUMBER: _____

MY COMMISSION EXPIRES: _____

REVISED EXHIBIT D

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom /

one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

EXHIBIT B
FORM OF SECOND AMENDMENT TO FACILITIES LEASE

FORM OF

SECOND AMENDMENT TO
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.

and

BOARD OF SUPERVISORS FOR
THE UNIVERSITY OF LOUISIANA SYSTEM,

dated as of May __, 2012

relative to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

SECOND AMENDMENT TO AGREEMENT TO
LEASE WITH OPTION TO PURCHASE

This SECOND AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE (this "*Second Amendment*") is made and entered into effective as of May __, 2012, by and between UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by its Chairperson, _____ (the "*Corporation*") and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by _____, _____ of the University, duly authorized.

WITNESSETH:

WHEREAS, the Board entered into a Ground and Buildings Lease Agreement with the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), which was amended by a First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation, dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Ground Lease*");

WHEREAS, pursuant to the Ground Lease and pursuant to La. R.S. 17:3361 through 17:3366, as amended, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation (the "*Original Facilities Lease*"), as amended by that certain First Amendment to Agreement to Lease with Option to Purchase, between the Corporation and the Board, dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Facilities Lease*");

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Indenture*") and a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*"), between the Issuer and the Corporation, the Issuer issued and loaned to the Corporation the proceeds from the sale of the Issuer's \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series

2004B Bonds and any Additional Bonds, the “*Bonds*”);

WHEREAS, the proceeds of the Bonds were used to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Facilities*”), (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to a Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds;

WHEREAS, the full renovation of a building on the campus of the University known as Cardinal Newman Hall (the “*Cardinal Newman Project*”) was included in the description of the Facilities to be constructed or renovated with the proceeds of the Bond which was attached as Exhibit A to the Facilities Lease;

WHEREAS, the Cardinal Newman Project was removed from the Facilities Lease by the First Amendment to Facilities Lease in 2007, because it was not feasible to complete the Cardinal Newman Project at that time;

WHEREAS, it is now feasible to complete the Cardinal Newman Project and the Board desires to add the Cardinal Newman Project back to the Facilities Lease so that it may be financed with proceeds of the Bonds remaining in the Project Fund;

WHEREAS, Section 31 of the Facilities Lease grants the Board the right to amend the Facilities Lease;

WHEREAS, the Board desires to amend the Facilities Lease in order to amend and replace in its entirety the description of the Facilities, attached as Exhibit A to the Facilities Lease; and

WHEREAS, Section 8.03 of the Loan Agreement requires the written consent of MBIA Insurance Corporation, bond insurer for the Bonds (the “*Bond Insurer*”), to amend the Facilities Lease in order to amend and replace Exhibit A to the Facilities Lease in its entirety, and the Bond Insurer has consented as referenced in the Consent of Bond Insurer dated April __, 2012 and recorded in the Office of the Clerk and Register of Conveyances of Tangipahoa Parish, State of Louisiana, on May __, 2012 in CB _____, Page _____, Instrument No. _____.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE 1

AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE

Section 1.1 Exhibit A of the Facilities Lease. Exhibit A to the Facilities Lease is hereby deleted, and the “Revised Exhibit A” attached to this Second Amendment is hereby

substituted therefor.

ARTICLE 2
MISCELLANEOUS

Section 2.1 Capitalized Terms. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Facilities Lease.

Section 2.2 Effect on the Agreement. This Second Amendment shall amend and supersede the Facilities Lease to the extent of the terms hereof. The Facilities Lease, except as amended and superseded hereby, is and shall remain in full force and effect. In the event of a conflict of the terms of this Second Amendment and the Facilities Lease, the terms of this Second Amendment shall control.

Section 2.3 Applicable Law. This Second Amendment shall be construed in accordance with and governed for all purposes by the laws of the State of Louisiana without giving effect to the principal of conflict of laws thereof.

Section 2.4 Counterparts. This Second Amendment may be executed in multiple counterparts, each of which, when considered with the others, shall constitute a complete Second Amendment.

Section 2.5 Recordation of Amendment. This Second Amendment shall be recorded in the Conveyance Records of the Parish of Tangipahoa, State of Louisiana, and the parties hereto specifically authorize and request the Clerk of Court and Register of Conveyances in and for the Parish of Tangipahoa, State of Louisiana, to make mention of this Second Amendment in the margin of the records of the Memorandum of Facilities Lease at Instrument No. _____, CB _____, page _____.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of University Facilities, Inc., in _____, Louisiana on the ____ day of May, 2012.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Print Name: _____

Print Name: _____

By: _____
Name: _____
Title: _____

NOTARY PUBLIC

PRINTED NAME: _____
NOTARY ID NUMBER: _____
MY COMMISSION EXPIRES: _____

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of the Board of Supervisors for the University of Louisiana System in _____, Louisiana on the ____ day of May, 2012.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

Print Name: _____

Print Name: _____

By: _____
Name: _____
Title: _____

NOTARY PUBLIC

PRINTED NAME: _____

NOTARY ID NUMBER: _____

MY COMMISSION EXPIRES: _____

REVISED EXHIBIT A

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:
 - (a) Holloway Smith Hall (to occur March, 2004)
 - (b) Hammond Hall (to occur March, 2004)
 - (c) Carter Harris Hall (to occur May / June, 2004)
2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide

approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

The following resolution was offered upon motion by Andre Coudrain:

RESOLUTION

A RESOLUTION APPROVING THE FORMS AND AUTHORIZING THE EXECUTION OF A SECOND AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE AND A SECOND AMENDMENT TO GROUND AND BUILDING LEASE AGREEMENT IN CONNECTION WITH THE LEASE AND LEASE BACK OF A PORTION OF THE SOUTHEASTERN LOUISIANA UNIVERSITY CAMPUS TO UNIVERSITY FACILITIES, INC. AND THE DEMOLITION AND/OR CONSTRUCTION OF NEW STUDENT HOUSING AND RELATED FACILITIES THEREON; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Board of Supervisors for the University of Louisiana System (the "*Board*") has, pursuant to La. R.S. 17:3361 through 17:3365 (the "*Act*"), and other constitutional and statutory authority supplemental thereto, leased a portion of the campus of Southeastern Louisiana University (the "*University*") to University Facilities, Inc. (the "*Corporation*") in order to enable the Corporation to demolish outmoded facilities and construct thereon new student housing and related facilities for the students of the University (the "*Facilities*");

WHEREAS, the Corporation has financed the construction of the Facilities using the proceeds of bonds (the "*Bonds*") issued by Louisiana Local Government Environmental Facilities and Community Development Authority;

WHEREAS, in connection therewith, the Board has authorized and entered into (a) an Amendment to the Ground and Building Lease Agreement by and between the Board and the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), as amended by a First Amendment to the Ground and Building Lease Agreement by and between the Board and the Corporation dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Existing Ground Lease*"); and (b) an amendment to the Agreement to Lease with Option to Purchase by and between the Board and the Corporation dated as of August 1, 2004 (the "*Original Facilities Lease*"), as amended by a First Amendment to Agreement to Lease with Option to Purchase by and between the Board and the Corporation dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Existing Facilities Lease*") all relative to the lease and lease-back of a portion of the University's campus to the Corporation for construction or demolition and reconstruction of new Facilities on the main campus of the University (the "*Project*");

WHEREAS, the Original Ground Lease and the Original Facilities Lease included the renovation of Cardinal Newman Hall on the list of projects to be financed with the proceeds of the Bonds;

WHEREAS, at the time of the execution of the First Amendment to Ground Lease and the First Amendment to Facilities Lease, the description of Facilities was amended to exclude the renovation of Cardinal Newman Hall from the list of projects to be financed with the Bonds as it was determined by the University and the Board that it was not feasible to renovate Cardinal Newman Hall at that time;

WHEREAS, the University and the Board have now determined that it is feasible to proceed with the renovation Cardinal Newman Hall as contemplated by the Original Ground Lease and Original Facilities Lease; and

WHEREAS, the Board now desires to amend the Existing Ground Lease and the Existing Facilities Lease to add the renovation of Cardinal Newman Hall back to the list of projects allowed to be financed with remaining proceeds of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors for the University of Louisiana System, as follows:

SECTION 1. The Second Amendment to Ground and Building Lease Agreement and the Second Amendment to Agreement Lease with Option to Purchase, in substantially the forms attached hereto as Exhibit A and Exhibit B, respectively, subject to such changes as may be approved by bond counsel and counsel to the Board are hereby approved.

SECTION 2. The Chairman, Vice Chairman, Secretary of the Board, the System President or the President of the University shall be authorized to execute the Second Amendments to the Ground Lease and the Facilities Lease attached hereto as Exhibit A and Exhibit B, and any certificates, documents or other items necessary therefor, subject to approval by the bond insurer of the above-referenced bonds prior thereto.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

SECTION 3. This resolution shall take effect immediately.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Paul Aucoin
Mr. Edward Crawford
Mr. Andre Coudrain
Mr. David Guidry
Mr. E. Gerald Hebert
Mr. Louis Lambert
Ms. Renee Lapeyrolerie
Mr. John LeTard
Mr. John Lombardo
Mr. Jimmy Long
Mr. Jimmie Beau Martin
Mr. Russell Mosely
Mr. D. Wayne Parker
Mr. Carl Shetler
Mr. Winfred Sibille

NAYS: *None.*

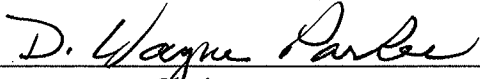
ABSENT: Mr. Jimmy Faircloth, Jr.

ABSTAINING: *None.*

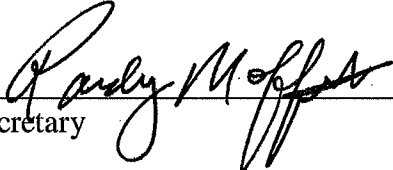
The Resolution was declared to be adopted on the 24th day of April, 2012.

(Other items not pertinent hereto are omitted)

Upon motion duly made, seconded and unanimously carried, the meeting was adjourned.



Chairman



Secretary

EXHIBIT A
FORM OF SECOND AMENDMENT TO GROUND LEASE

FORM OF
SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

by and between

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

and

UNIVERSITY FACILITIES, INC.

dated as of May __, 2012

relative to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT

This SECOND AMENDMENT TO GROUND AND BUILDINGS LEASE AGREEMENT (this "*Second Amendment*") is made and entered into effective as of May __, 2012, by and between the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM, a public constitutional corporation organized and existing under the laws of the State of Louisiana (the "*Board*"), acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by _____, _____ of the University, duly authorized, and UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by _____, its Chairperson, (the "*Corporation*").

WITNESSETH:

WHEREAS, the Board entered into a Ground and Buildings Lease Agreement with the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), which was amended by a First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation, dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Ground Lease*");

WHEREAS, pursuant to the Ground Lease and pursuant to La. R.S. 17:3361 through 17:3366, as amended, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), between the Board and the Corporation, as amended by that certain First Amendment to Agreement to Lease with Option to Purchase, between the Corporation and the Board, dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Facilities Lease*");

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Indenture*") and a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*"), between the Issuer and the Corporation, the Issuer issued and loaned to the Corporation the proceeds from the sale of the Issuer's \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series 2004B Bonds and any Additional Bonds, the "*Bonds*");

WHEREAS, the proceeds of the Bonds were used to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Facilities*”), (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to a Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds;

WHEREAS, the full renovation of a building on the campus of the University known as Cardinal Newman Hall (the “*Cardinal Newman Project*”) was included in the description of the Facilities to be constructed or renovated with the proceeds of the Bond which was attached as Exhibit D to the Ground Lease;

WHEREAS, the Cardinal Newman Project was removed from the Ground Lease by the First Amendment to Ground Lease in 2007, because it was not feasible to complete the Cardinal Newman Project at that time;

WHEREAS, it is now feasible to complete the Cardinal Newman Project and the Board desires to add the Cardinal Newman Project back to the Ground Lease so that it may be financed with proceeds of the Bonds remaining in the Project Fund;

WHEREAS, Section 18.31 of the Ground Lease grants the Board the right to amend the Ground Lease;

WHEREAS, the Board desires to amend the Ground Lease in order to amend and replace in its entirety the description of the Facilities, attached as Exhibit D to the Ground Lease; and

WHEREAS, Section 8.03 of the Loan Agreement requires the written consent of MBIA Insurance Corporation, bond insurer for the Bonds (the “*Bond Insurer*”), to amend the Ground Lease in order to amend and replace Exhibit D to the Ground Lease in its entirety, and the Bond Insurer has consented as referenced in the Consent of Bond Insurer dated April __, 2012 and recorded in the Office of the Clerk and Register of Conveyances of Tangipahoa Parish, State of Louisiana, on May __, 2012 in CB _____, Page _____, Instrument No. _____.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE 1
AMENDMENT TO GROUND AND BUILDINGS LEASE

Section 1.1 Amendment and Restatement of Exhibit D of the Ground Lease. Exhibit D to the Ground Lease is hereby deleted, and the “Revised Exhibit D” attached to this Second Amendment is hereby substituted therefor.

ARTICLE 2
MISCELLANEOUS

Section 2.1 Capitalized Terms. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Ground Lease.

Section 2.2 Effect on the Agreement. This Second Amendment shall amend and supersede the Ground Lease to the extent of the terms hereof. The Ground Lease, except as amended and superseded hereby, is and shall remain in full force and effect. In the event of a conflict of the terms of this Second Amendment and the Ground Lease, the terms of this Second Amendment shall control.

Section 2.3 Applicable Law. This Second Amendment shall be construed in accordance with and governed for all purposes by the laws of the State of Louisiana without giving effect to the principal of conflict of laws thereof.

Section 2.4 Counterparts. This Second Amendment may be executed in multiple counterparts, each of which, when considered with the others, shall constitute a complete Second Amendment.

Section 2.5 Recordation of Amendment. This Second Amendment shall be recorded in the Conveyance Records of the Parish of Tangipahoa, State of Louisiana, and the parties hereto specifically authorize and request the Clerk of Court and Register of Conveyances in and for the Parish of Lafourche, State of Louisiana, to make mention of this Second Amendment in the margin of the records of the Memorandum of Ground Lease at Instrument No. _____, CB _____, page ____.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of the Board of Supervisors for the University of Louisiana System in _____, Louisiana on the ____ day of May, 2012.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

Print Name: _____

Print Name: _____

By: _____
Name: _____
Title: _____

NOTARY PUBLIC

PRINTED NAME: _____

NOTARY ID NUMBER: _____

MY COMMISSION EXPIRES: _____

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of University Facilities, Inc., in _____, Louisiana on the ____ day of May, 2012.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Print Name: _____

Print Name: _____

By: _____
Name:
Title:

NOTARY PUBLIC

PRINTED NAME: _____

NOTARY ID NUMBER: _____

MY COMMISSION EXPIRES: _____

REVISED EXHIBIT D

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:

- (a) Holloway Smith Hall (to occur March, 2004)
- (b) Hammond Hall (to occur March, 2004)
- (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).
2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom /

one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

Residence Hall III unit mix and design is subject to further revision based upon University input.

EXHIBIT B
FORM OF SECOND AMENDMENT TO FACILITIES LEASE

FORM OF
SECOND AMENDMENT TO
AGREEMENT TO LEASE WITH OPTION TO PURCHASE

by and between

UNIVERSITY FACILITIES, INC.

and

BOARD OF SUPERVISORS FOR
THE UNIVERSITY OF LOUISIANA SYSTEM,

dated as of May __, 2012

relative to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

SECOND AMENDMENT TO AGREEMENT TO
LEASE WITH OPTION TO PURCHASE

This SECOND AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE (this "*Second Amendment*") is made and entered into effective as of May __, 2012, by and between UNIVERSITY FACILITIES, INC., a Louisiana non-profit corporation represented herein by its Chairperson, _____ (the "*Corporation*") and the BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM (the "*Board*"), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of Southeastern Louisiana University (the "*University*"), which Board is represented herein by _____, _____ of the University, duly authorized.

WITNESSETH:

WHEREAS, the Board entered into a Ground and Buildings Lease Agreement with the Corporation dated as of August 1, 2004 (the "*Original Ground Lease*"), which was amended by a First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation, dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, together with the Original Ground Lease, the "*Ground Lease*");

WHEREAS, pursuant to the Ground Lease and pursuant to La. R.S. 17:3361 through 17:3366, as amended, the Board leased certain property (the "*Property*") to the Corporation and the Corporation agreed to provide capital improvements for furthering the educational, scientific, research or public service functions of the Board, which capital improvements were leased back to the Board by virtue of that certain Agreement to Lease with an Option to Purchase dated as of August 1, 2004, between the Board and the Corporation (the "*Original Facilities Lease*"), as amended by that certain First Amendment to Agreement to Lease with Option to Purchase, between the Corporation and the Board, dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, together with the Original Facilities Lease, the "*Facilities Lease*");

WHEREAS, pursuant to a Trust Indenture between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "*Issuer*") and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (the "*Trustee*"), dated as of August 1, 2004 (the "*Indenture*") and a Loan and Assignment Agreement dated as of August 1, 2004 (the "*Loan Agreement*"), between the Issuer and the Corporation, the Issuer issued and loaned to the Corporation the proceeds from the sale of the Issuer's \$60,985,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004A (the "*Series 2004A Bonds*"), \$15,000,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004B (the "*Series 2004B Bonds*") and \$925,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project) Series 2004C (the "*Series 2004C Bonds*" and, together with the Series 2004A Bonds, the Series

2004B Bonds and any Additional Bonds, the “*Bonds*”);

WHEREAS, the proceeds of the Bonds were used to provide funds for the purpose of enabling the Board, on behalf of the University, to (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the “*Facilities*”), (iii) funding the costs of marketing the Facilities; (iv) providing working capital for the Facilities, (v) funding a deposit to a Debt Service Reserve Fund, (vi) paying capitalized interest on the Bonds; (vii) funding a deposit to the Replacement Fund; and (viii) paying costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds;

WHEREAS, the full renovation of a building on the campus of the University known as Cardinal Newman Hall (the “*Cardinal Newman Project*”) was included in the description of the Facilities to be constructed or renovated with the proceeds of the Bond which was attached as Exhibit A to the Facilities Lease;

WHEREAS, the Cardinal Newman Project was removed from the Facilities Lease by the First Amendment to Facilities Lease in 2007, because it was not feasible to complete the Cardinal Newman Project at that time;

WHEREAS, it is now feasible to complete the Cardinal Newman Project and the Board desires to add the Cardinal Newman Project back to the Facilities Lease so that it may be financed with proceeds of the Bonds remaining in the Project Fund;

WHEREAS, Section 31 of the Facilities Lease grants the Board the right to amend the Facilities Lease;

WHEREAS, the Board desires to amend the Facilities Lease in order to amend and replace in its entirety the description of the Facilities, attached as Exhibit A to the Facilities Lease; and

WHEREAS, Section 8.03 of the Loan Agreement requires the written consent of MBIA Insurance Corporation, bond insurer for the Bonds (the “*Bond Insurer*”), to amend the Facilities Lease in order to amend and replace Exhibit A to the Facilities Lease in its entirety, and the Bond Insurer has consented as referenced in the Consent of Bond Insurer dated April __, 2012 and recorded in the Office of the Clerk and Register of Conveyances of Tangipahoa Parish, State of Louisiana, on May __, 2012 in CB _____, Page _____, Instrument No. _____.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE 1

AMENDMENT TO AGREEMENT TO LEASE WITH OPTION TO PURCHASE

Section 1.1 Exhibit A of the Facilities Lease. Exhibit A to the Facilities Lease is hereby deleted, and the “Revised Exhibit A” attached to this Second Amendment is hereby

substituted therefor.

ARTICLE 2
MISCELLANEOUS

Section 2.1 Capitalized Terms. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Facilities Lease.

Section 2.2 Effect on the Agreement. This Second Amendment shall amend and supersede the Facilities Lease to the extent of the terms hereof. The Facilities Lease, except as amended and superseded hereby, is and shall remain in full force and effect. In the event of a conflict of the terms of this Second Amendment and the Facilities Lease, the terms of this Second Amendment shall control.

Section 2.3 Applicable Law. This Second Amendment shall be construed in accordance with and governed for all purposes by the laws of the State of Louisiana without giving effect to the principal of conflict of laws thereof.

Section 2.4 Counterparts. This Second Amendment may be executed in multiple counterparts, each of which, when considered with the others, shall constitute a complete Second Amendment.

Section 2.5 Recordation of Amendment. This Second Amendment shall be recorded in the Conveyance Records of the Parish of Tangipahoa, State of Louisiana, and the parties hereto specifically authorize and request the Clerk of Court and Register of Conveyances in and for the Parish of Tangipahoa, State of Louisiana, to make mention of this Second Amendment in the margin of the records of the Memorandum of Facilities Lease at Instrument No. _____, CB ____, page ____.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of University Facilities, Inc., in _____, Louisiana on the ____ day of May, 2012.

WITNESSES:

UNIVERSITY FACILITIES, INC.

Print Name: _____

Print Name: _____

By: _____
Name: _____
Title: _____

NOTARY PUBLIC

PRINTED NAME: _____

NOTARY ID NUMBER: _____

MY COMMISSION EXPIRES: _____

PARISH OF TANGIPAHOA

STATE OF LOUISIANA

IN WITNESS WHEREOF, the undersigned representative has executed this Lease on behalf of the Board of Supervisors for the University of Louisiana System in _____, Louisiana on the ____ day of May, 2012.

WITNESSES:

BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM

Print Name: _____

Print Name: _____

By: _____
Name: _____
Title: _____

NOTARY PUBLIC
PRINTED NAME: _____
NOTARY ID NUMBER: _____
MY COMMISSION EXPIRES: _____

REVISED EXHIBIT A

DESCRIPTION OF FACILITIES

Phase One

Phase One of the housing development is comprised of two primary elements:

1. Hazardous material abatement and demolition of the following existing residence halls:

- (a) Holloway Smith Hall (to occur March, 2004)
- (b) Hammond Hall (to occur March, 2004)
- (c) Carter Harris Hall (to occur May / June, 2004)

2. Construction of a new residence hall ("Residence Hall I") to provide approximately seven hundred fourteen (714) student beds in a mix of private and shared occupancy suites (scheduled to open January, 2005)

The total scope has yet to be determined. It is anticipated that the project shall include: (1) removal of existing built-in furniture; (2) renovation of the building to bring the facility up to code compliance; (3) installation of life-safety equipment; (4) provision of modern amenities (power, cable television, data) to each student bed; and provision of extensive interior and exterior cosmetic improvements to the facility.

Construction of Residence Hall I (169,032 square feet)

Residence Hall I shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately three hundred sixty-four (357) units of two-bedroom / one-bathroom suites configured for private and shared occupancy, yielding a total of approximately seven hundred twenty-eight (714) beds. One hundred seventy-nine (179) of the units are designed for private occupancy (358 total beds) and one hundred seventy-eight (178) of the units are designed for shared occupancy (356 total beds). Additionally, the Residence Hall I phase shall include a common area laundry facility in two of the buildings and resident manager units in two of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

The first phase of development includes a park at the main entrance and an approximately 2,000 square feet maintenance facility for use by the property manager. Residence Hall I is scheduled for completion by January 1, 2005.

Phase Two

Phase Two of the housing development is comprised of:

1. Construction of a new residence hall ("Residence Hall II") to provide

approximately eight hundred (800) student beds in a mix of private and shared occupancy suites (scheduled to open August, 2005).

2. Hazardous materials abatement and demolition of Lee Hall.
3. Full renovation of the existing Cardinal Newman Hall.

Construction of Residence Hall II (185,616 square feet)

Residence Hall II shall be comprised of four wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately four hundred (400) units of housing configured in two-bedroom / one-bathroom suites for private and shared occupancy, yielding a total of approximately eight hundred (800) beds. Ninety-two (92) of the units (184 total beds) are designed for private occupancy and three hundred eight (308) of the units (616 total beds) are designed for shared occupancy. Additionally, the Residence Hall II phase shall include one laundry facility and one resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided. The second phase of development includes relocation of the campus police facility into one of the buildings, along with office / meeting space for the property manager. Residence Hall II is scheduled for completion by August 1, 2005.

Residence Hall II unit mix and design is subject to further revision based upon University input.

Phase Three

Phase Three of the housing development is comprised of two primary elements and is subject to further revision based upon input from the University. The following is preliminary scope and design:

1. Hazardous material abatement and demolition of the following existing residence hall:
 - (a) Taylor Hall (to occur June / July 2006)
2. Construction of a new residence hall ("Residence Hall III") to provide approximately two hundred (200) student beds in private occupancy suites (scheduled to open August, 2006).

Construction of Residence Hall III (56,640 square feet)

Residence Hall III shall be comprised of two wood-frame buildings with partial brick and hardi-plank exteriors. There shall be approximately one hundred (100) units of two-bedroom / one-bathroom suites configured for private occupancy, yielding a total of approximately two hundred (200) beds. Additionally, the Residence Hall III phase shall include a common area laundry facility in one of the buildings and a resident manager unit in one of the buildings. In each building, community meeting rooms and tenant mail facilities shall be provided.

Residence Hall III is scheduled for completion by August 1, 2006.

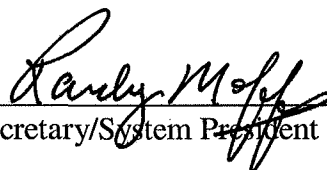
Residence Hall III unit mix and design is subject to further revision based upon University input.

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary/System President to the Board of Supervisors for the University of Louisiana System (the "Board") do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by the Board on April 24, 2012 approving the form and authorizing the execution of a Second Amendment to Ground and Building Lease Agreement and Second Amendment to Agreement to Lease with Option to Purchase in connection with the lease and lease-back of a portion of the Southeastern Louisiana University campus to University Facilities, Inc. and the demolition and/or construction of new student housing facilities thereon; and providing for other matters in connection therewith was duly adopted by the Board at a meeting duly called, noticed and held and at which meeting a quorum was present and voting.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said Board on this, the 24 day of April, 2012.


Secretary/System President

[SEAL]

NOTICE TO RATING AGENCY AND BOND INSURER

Relating to

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC.
PROJECT) SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

and

\$5,545,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR
PARKING PROJECT)
SERIES 2007B

National Public Finance Guarantee Corporation
(as successor to MBIA Insurance Corporation)
113 King Street
Armonk, New York 10504
Attention: Rob Blake, Director
Portfolio Surveillance – Western Division
Re: Policy No. 44754

Standard & Poor's
55 Water Street, 38th Floor
New York, New York 10041
Attention: Bond Insurance Administration

Ladies and Gentlemen:

Reference is hereby made to that certain Trust Indenture dated as of August 1, 2004 by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (the "Indenture") pursuant to which the Issuer's \$60,985,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Southeastern Louisiana University Student Housing/University Facilities, Inc. Project), Series 2004A (the "Series 2004A Bonds"), its

1. Expiration of fifteen (15) days from the giving of this Notice;
2. Execution of the consent of the Bond Insurer; and
3. Delivery to the Issuer and the Trustee of a favorable opinion of Bond Counsel that the execution and delivery of such Second Amendment to Ground Lease and Second Amendment to Facilities Lease will not have an adverse effect upon the validity of the Series 2004 Bonds and to the effect that such amendments will maintain the exclusion from gross income of interest on the Series 2004A Bonds and the Series 2004B Bonds for federal income tax purposes.

This Notice is given on this 24th day of ~~April~~ ^{May}, 2012.

UNIVERSITY FACILITIES, INC.

By: Joseph J. Morris



8555 UNITED PLAZA BOULEVARD
BATON ROUGE, LOUISIANA 70809-7000
225-248-2000
FAX 225-248-2010
www.joneswalker.com

June 12, 2012

Louisiana Local Government Environmental Facilities
and Community Development Authority
Baton Rouge, Louisiana

The Bank of New York Mellon
Trust Company, N.A.
Baton Rouge, Louisiana

National Public Finance Guarantee Corporation,
as reinsurer and agent for MBIA Insurance Corporation
Armonk, New York

\$60,985,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004A

\$15,000,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004B

\$925,000
LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND COMMUNITY
DEVELOPMENT AUTHORITY REVENUE BONDS
(SOUTHEASTERN LOUISIANA UNIVERSITY STUDENT
HOUSING/UNIVERSITY FACILITIES, INC. PROJECT)
SERIES 2004C

AND

\$5,545,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR PARKING
PROJECT)
SERIES 2007A

\$2,490,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY
REVENUE BONDS (SOUTHEASTERN LOUISIANA
UNIVERSITY STUDENT HOUSING/
UNIVERSITY FACILITIES, INC.: PHASE FOUR PARKING
PROJECT)
SERIES 2007B

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and sale by the
Louisiana Local Government Environmental Facilities and Community Development Authority
(the "Issuer") of the above-referenced Bonds (the "Bonds").

JONES WALKER LLP

The Bonds have been issued by the Issuer pursuant to Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 33:4548.16, inclusive) and other constitutional and statutory authority, a Trust Indenture dated as of March 1, 2007 (the "*Indenture*") between the Issuer and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., a national banking association organized and existing under and by virtue of the laws of the United States of America and duly authorized to accept and execute trusts, as trustee (the "*Trustee*"), and resolutions adopted by the Issuer on February 12, 2004, May 13, 2004 and October 12, 2006 (collectively, the "*Resolutions*"). Capitalized terms used herein that are not otherwise defined have the meaning given them in the Indenture.

The Bonds were issued in order to provide funds to University Facilities, Inc., a non-profit corporation duly organized and existing under the laws of the State for the benefit of the University and exempt from federal income tax under Section 501(a) of the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder (the "*Code*"), as an organization described in Section 501(c)(3) of the Code (the "*Corporation*") for the purpose of providing funds to: (i) refinance prior debt, (ii) demolish certain existing facilities and renovating, developing and constructing student housing and related facilities (the "*Facilities*"), (iii) fund the costs of marketing the Facilities; (iv) provide working capital for the Facilities, (v) fund a deposit to a Debt Service Reserve Fund, (vi) pay capitalized interest on the Bonds; (vii) fund a deposit to the Replacement Fund; and (viii) pay costs of issuance of the Bonds, including the premium for any bond insurance policy insuring the Bonds.

The Issuer and the Corporation entered into a Loan Agreement dated as of March 1, 2007 (the "*Agreement*"), pursuant to which the Issuer loaned the proceeds from the sale of the Bonds to the Corporation for the foregoing purposes. Pursuant to the Agreement, the Corporation has agreed to make loan payments (the "*Payments*" as further defined in the Agreement) sufficient to pay the principal of, premium, if any, and interest on the Bonds. The rights of the Issuer under the Agreement (except for the rights of the Issuer relating to exculpation, indemnification and payment of expenses thereunder) have been pledged and assigned by the Issuer to the Trustee as security for the Bonds. The Corporation leased the property upon which the Facilities are located from the Board of Supervisors for the University of Louisiana System (the "*Board*") pursuant to a Ground and Buildings Lease Agreement dated as of August 1, 2004 (the "*Original Ground Lease*"), as amended by that certain First Amendment to Ground and Buildings Lease Agreement between the Board and the Corporation dated as of March 1, 2007 (the "*First Amendment to Ground Lease*" and, collectively with the Original Ground Lease, the "*Ground Lease*"). The Board leased back the completed Facilities from the Corporation pursuant to an Agreement to Lease With Option to Purchase dated as of August 1, 2004 (the "*Original Facilities Lease*"), as amended by that certain First Amendment to Agreement to Lease with Option to Purchase by and between the Corporation and the Board dated as of March 1, 2007 (the "*First Amendment to Facilities Lease*" and, collectively with the Original Facilities Lease, the "*Facilities Lease*" and further, collectively with the Ground Lease, the "*Leases*").

The Board and the Corporation desire to amend the Leases to include additional facilities owned by the Board which will be renovated with the proceeds of the Series 2004 Bonds to provide

additional student housing on the campus of the University. Section 18.31 of the Ground Lease and Section 31 of the Facilities Lease provide for the amendment of the Leases in accordance with Article VIII of the Agreement, without the consent of or notice to bondholders, but with the consent of National Public Finance Guarantee, as reinsurer and agent for MBIA Insurance Corporation (the “*Bond Insurer*”) in order to add to or subtract from the Facilities any property upon receipt of an opinion of Bond Counsel that the amendment will not have an adverse effect upon the validity of the Bonds or the tax exempt status of the Bonds and upon consent of the Bond Insurer, which has been received, and upon notice to the Bond Insurer and the Rating Agency, which notice has been sent.

In connection with the amendment of the Leases to revise the legal description of the property, we have examined the following:

- a. The Second Amendment to Ground and Buildings Lease Agreement, dated as of June 1, 2012 (the “*Second Amendment to Ground Lease*”);
- b. The Second Amendment to Agreement to Lease with Option to Purchase, dated as of June 1, 2012 (the “*Second Amendment to Facilities Lease*”); and
- c. The consent of the Bond Insurer.

The Second Amendment to Ground Lease and the Second Amendment to Facilities Lease are hereinafter collectively referred to as the “*Second Amendments*.”

Based upon the foregoing, and subject to other assumptions and conditions as are hereinafter set forth, and having regard to applicable matters of law, we are of the opinion, as of the date hereof, as follows:

1. Amending the Leases with respect to the legal description attached to each as set forth within the Second Amendments will not have an adverse effect on the validity of the Bonds and such amendments will maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes; and
2. The Second Amendments comply with the provisions of the Agreement and the Indenture allowing for amendment of the Leases.

For purposes of this opinion, our services as bond counsel have not extended beyond the examinations and expressions of the conclusions referred to above. This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur. Except as stated above, no opinion is expressed as to any federal or state tax consequences resulting from the ownership of, receipt of interest on, or disposition of, the Bonds. This is an opinion and not a warranty or guaranty.

Respectfully submitted,

