

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## REGULAR MEETING

### \*\*\*TELECONFERENCE MEETING NOTICE and AGENDA\*\*\* LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, February 20, 2020

Teleconference Phone Information

(712) 775-7031 - Conference Code: 183724#

#### Call to Order and Roll Call Statement of Disclosure

#### Action Items

1. Consent Agenda
  - a. Approve Minutes from the Regular Meeting on January 30, 2020.
  - b. Approve Resolution 20-04 Approving Associate Membership by the County of El Dorado in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to the Associate Membership of the County in the Authority.
2. Approve Resolution 20-05 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to which the California Enterprise Development Authority will Make One or More Loans for the Purpose of Financing and Refinancing the Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Affordable Housing Facilities for the Benefit of VVSD Escondido, LLC and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

#### Public Comment

#### Chair Report

#### PACE Report

#### Other Business

#### Adjournment

Members of CEDA and members of the public may access this meeting at the following locations:

California Association for Local  
Economic Development  
(contact Michelle Stephens)  
2150 River Plaza Dr., Suite 275  
Sacramento, CA 95833

City of Santa Clarita  
(contact Jason Crawford or  
Stephanie Givans)  
23920 Valencia Blvd., Suite 100  
Santa Clarita, CA 91355

County of Stanislaus  
(contact Keith Boggs or Sheryl Swartz)  
1010 10<sup>th</sup> Street  
GSA Purchasing – 5<sup>th</sup> Floor  
GSA Director's Office  
Modesto, CA 95354

Redding City Hall  
(contact Larry Vaupel or Erica Thomas)  
777 Cypress Ave.  
Redding, CA 96001

City of Lakeport  
(contact Margaret Silveira  
or Hilary Britton)  
225 Park Street  
Lakeport, CA 95453

City of West Sacramento  
(contact Aaron Laurel or  
Sandra Barcenas)  
1110 West Capitol Avenue, 3<sup>rd</sup> Floor  
West Sacramento, CA 95691

Sacramento Municipal Utility  
District  
(contact Mather Kearney)  
6301 S Street  
Sacramento, CA 95817

City of Anaheim  
(contact Jessica Gonzales or  
Amanda Wicker)  
201 S. Anaheim Blvd., Ste. 1003  
Anaheim, CA 92805

This agenda can be obtained at <https://ceda.caled.org>. The California Enterprise Development Authority complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with

## **CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

disabilities and by providing this notice and information in alternative formats when requested. If you need further assistance, you may contact us before the meeting at (916) 448-8252, ext. 12.

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## MINUTES

### Regular Meeting

\*\*\*TELECONFERENCE MEETING \*\*\*

### CEDA BOARD OF DIRECTORS

Thursday, January 30, 2020

#### Teleconference Locations

California Association for Local  
Economic Development  
(contact Michelle Stephens)  
2150 River Plaza Dr. Suite 275  
Sacramento, CA 95833

Redding City Hall  
(contact Larry Vaupel or Erica  
Thomas)  
777 Cypress Ave.  
Redding, CA 96001

Sacramento Municipal Utility District  
(contact Mather Kearney)  
6301 S Street  
Sacramento, CA 95817

City of Santa Clarita  
(contact Jason Crawford or  
Stephanie Givens)  
23920 Valencia Blvd., Suite 100  
Santa Clarita, CA 91355

City of Lakeport  
(contact Margaret Silveira or Hilary  
Britton)  
225 Park Street  
Lakeport, CA 95453

City of Anaheim  
(contact Jessica Gonzales or  
Amanda Wicker)  
201 S. Anaheim Blvd., Ste. 1003  
Anaheim, CA 92805

County of Stanislaus  
(contact Keith Boggs or Sheryl  
Swartz)  
1010 10th Street  
GSA Purchasing – 5th Floor  
GSA Director's Office  
Modesto, CA 95354

City of West Sacramento  
(contact Aaron Laurel or  
Polly Harris)  
1110 West Capitol Avenue, 3rd Floor  
West Sacramento, CA 95691

#### **Call to Order**

Gurbax Sahota, Chair of the California Enterprise Development Authority, called the meeting to order at 10:30 am.

#### **Roll Call**

Members Present:

Keith Boggs  
Mather Kearney  
Aaron Laurel  
Gurbax Sahota  
Larry Vaupel

CALED Management/  
Staff Present:

Michelle Stephens  
Alphonse Wilfred

Public:

Sam Balisy  
David Mnatsakanyan  
Jessica Shaham

#### **Statement of Disclosure**

None

#### **Action Items**

1. Approve Consent Agenda.
  - a. Approve Minutes from the Regular Meeting on January 9, 2020.

**Motion:** Board Member Larry Vaupel made the motion to approve the Minutes. Board Member Keith Boggs seconded the motion on the floor.

*The motion passed unanimously by voice vote*

2. Approve Resolution 20-02 of the California Enterprise Development Authority Authorizing the Issuance of Taxable and/or Tax Exempt Revenue Bonds in One or More Series in a Principal Amount Not to Exceed \$16,000,000 to Finance or Refinance the Acquisition, Construction, Improvement, Renovation and Equipping of Paso Robles Charter School Project, Incorporated, D/B/A Almond Acres Charter Academy, Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.

**Discussion:** Michelle presented the staff report. Jessica Shaham added that the purchaser has bought the property and part of the financing will be for refinancing that purchase with new financing for renovations.

**Motion:** Board Member Keith Boggs made the motion to approve Resolution 20-02. Board Member Larry Vaupel seconded the motion on the floor.

*The motion passed with the following roll call vote:*

Keith Boggs	Aye
Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye
Larry Vaupel	Aye

3. Approve Resolution 20-03 Approving Associate Membership by the City of San Jacinto in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to the Associate Membership of the City in the Authority.

**Discussion:** Gurbax let the board know that this is CEDA's 259<sup>th</sup> member. Jessica added that there will be an upcoming deal in the City of Jancinto that will come before the board in the second quarter.

**Motion:** Board Member Gurbax Sahota made the motion to approve Resolution 20-03. Board Member Keith Boggs seconded the motion on the floor.

*The motion passed with the following roll call vote:*

Keith Boggs	Aye
Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye
Larry Vaupel	Aye

#### **Public Comment**

#### **Chair Report**

Gurbax requested that Kutak Rock attend the CALED Conference CEDA Board meeting in person. She also asked them to attend the 40<sup>th</sup> Anniversary Dinner during CALED's 40<sup>th</sup> Annual Conference.

#### **PACE Report**

Jessica updated the board on the R-PACE bonding, which is expected to be completed by the end of February.

**Other Business**

**Adjournment**

**Motion:** *Larry Vaupel made the motion to adjourn the meeting. Gurbax Sahota seconded the motion on the floor. Gurbax Sahota adjourned the meeting at 10:40 am by voice vote.*

**RESOLUTION NO. 20-04**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSOCIATE MEMBERSHIP BY THE COUNTY OF EL DORADO IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF AN ASSOCIATE MEMBERSHIP AGREEMENT RELATING TO THE ASSOCIATE MEMBERSHIP OF THE COUNTY IN THE AUTHORITY**

**WHEREAS**, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California, the cities of Eureka, Lancaster and Selma entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Enterprise Development Authority (the “Authority”) was organized; and

**WHEREAS**, pursuant to Section 2.10 of the Agreement, a local agency may be admitted as an associate member of the Authority upon approval of the Board of Directors of the Authority and the adoption by the legislative body of the local agency of a resolution approving an Associate Membership Agreement; and

**WHEREAS**, the County of El Dorado (the “County”) wishes to join the Authority and has passed the requisite resolution approving the County becoming an associate member of the Authority and has approved an Associate Membership Agreement; and

**WHEREAS**, the Board of Directors desires to admit the County into the Authority as an associate member;

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the California Enterprise Development Authority, as follows:

**Section 1.** The County is hereby admitted as a new associate member of the Authority.

**Section 2.** The Chair or the Vice Chair of the Board of Directors is hereby authorized to execute the Associate Membership Agreement with the County. All actions heretofore taken by the officers, or their respective designees, employees and agents of the Authority in connection with the Authority’s entry into the Associate Membership Agreement with the County are hereby ratified and confirmed.

**Section 3.** This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 20<sup>th</sup> day of February, 2020.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Gurbax Sahota, Chair

Attest:

By \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on February 20, 2020.

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Michelle Stephens, Assistant Secretary



## Staff Report

<b>Action Requested</b>	Approve Resolution 20-05 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to which the California Enterprise Development Authority will Make One or More Loans for the Purpose of Financing and Refinancing the Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Affordable Housing Facilities for the Benefit of VVSD Escondido, LLC and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
<b>Borrower(s)</b>	Vietnam Veterans of San Diego (VVSD) Escondido, LLC
<b>Borrower Description</b>	<p>Vietnam Veterans of San Diego (“VVSD”) has served veterans in overcoming homelessness and related challenges since 1981. VVSD is the only program of its kind in the United States and is nationally recognized as the leader in serving homeless military veterans. Each year, VVSD provides services to more than 2,000 military veterans throughout San Diego County. VVSD’s services include care for substance use, PTS, and TBI with a full range of comprehensive and innovative services for military veterans for: Prevention, Intervention, Rehabilitation, and Aftercare.</p> <p>VVSD offers housing options to eligible veterans who are homeless or imminent risk of becoming homeless and want to achieve housing stability and a higher quality of life through permanent housing. Rent is affordable and based on income. Apartments are fully furnished with laundry facilities on site and supportive services are available.</p> <p>The project consists of refinancing of the Vietnam Veterans of San Diego obligations under existing loan documents the proceeds of which financed the construction of a multi-family housing project located at 1540-1556 S. Escondido Boulevard, Escondido, California 92027.</p>
<b>Public Benefits</b>	The tax-exempt financing will allow Vietnam Veterans of San Diego Escondido, LLC to realize savings that can be put into purchasing and rehabilitating real property.
<b>Eligibility and Policy Review</b>	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA’s Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> <li>■ The Borrower is capable of meeting the obligations incurred under the financing documents;</li> <li>■ The Payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service; and</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval 20-05 Resolution of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to which the California Enterprise Development Authority will Make One or More Loans for the Purpose of Financing and Refinancing the Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Affordable Housing Facilities for the Benefit of VVSD Escondido, LLC and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

## **RESOLUTION NO. 20-05**

**RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AUTHORIZING AND APPROVING A LOAN AGREEMENT PURSUANT TO WHICH THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY WILL MAKE ONE OR MORE LOANS FOR THE PURPOSE OF FINANCING AND REFINANCING THE COST OF ACQUIRING, DEVELOPING, CONSTRUCTING, INSTALLING, EQUIPPING AND FURNISHING AFFORDABLE HOUSING FACILITIES FOR THE BENEFIT OF VVSD ESCONDIDO, LLC AND/OR A RELATED OR SUCCESSOR ENTITY; PROVIDING THE TERMS AND CONDITIONS FOR SUCH LOAN AGREEMENT AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED**

**WHEREAS**, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the “Act”), the cities of Eureka, Lancaster and Selma entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Enterprise Development Authority (the “Issuer”) was organized; and

**WHEREAS**, the Issuer is authorized by the Agreement and the Act to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements, or enter into financing agreements to, among other things, finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”); and

**WHEREAS**, pursuant to the provisions of the Act, the public agencies which are members of the Issuer are authorized to jointly exercise any power common to such public agency members, including, without limitation, the power to acquire and dispose of property, both real and personal; and

**WHEREAS**, the County of San Diego, California (the “County”) is an associate member of the Issuer and is authorized to acquire and dispose of property, both real and personal; and

**WHEREAS**, pursuant to the provisions of the Act, the Issuer may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement, financing agreement or similar agreement for the purposes of promoting economic development; and

**WHEREAS** Vietnam Veterans of San Diego, a California nonprofit public benefit corporation, and its wholly owned affiliate, VVSD Escondido, LLC, a California limited liability company (or a successor or related entity) (the “Borrower”) has requested that the Issuer make a loan in an aggregate principal amount not to exceed \$5,000,000 (the “Borrower Loan”), to the Borrower to finance, refinance or reimburse the Borrower for the cost of (a) (i) constructing a multi-family housing project located at 1540-1556 S. Escondido Boulevard, Escondido, California 92027 (the “Property”), consisting of a total of 54 units, including 12 one-bedroom

units, 37 two-bedroom units and 5 three-bedroom units (collectively, the “Facilities”) and (b) pay certain costs of issuance in connection with such financing; and

**WHEREAS**, the Issuer intends to use the proceeds of a tax-exempt loan from First Republic Bank or its successor (the “Lender”), to the Issuer (collectively, the “Issuer Loan Obligation” and, together with the Borrower Loan, the “Loans”) to make the Borrower Loan; and

**WHEREAS**, there have been placed on file with the Issuer prior to this meeting the following documents and agreements:

(a) A proposed form of Loan Agreement (the “Loan Agreement”), by and among the Lender, the Issuer and the Borrower; and

(b) A proposed form of Assignment Agreement (the “Assignment Agreement”), by and between the Issuer and the Lender; and

**WHEREAS**, pursuant to California Government Code Section 5852.1, certain information regarding the Loans, attached hereto as Attachment I, has been presented to the Issuer by the Borrower based on a good faith estimates by the Lender; and

**WHEREAS**, the Facilities provide significant benefits to the residents of the County and surrounding community by providing affordable housing to veterans within the San Diego community and, based on representations of the Borrower, the financing of the Facilities through the Issuer will result in demonstrable savings in effective interest rate;

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Issuer, as follows:

**Section 1.** The Issuer finds that it is in the public interest to assist the Borrower in financing the Facilities.

**Section 2.** The Issuer hereby approves of the entering into the Issuer Loan Obligation, the interest with respect to which will be excluded from gross income for federal income tax purposes, and using the proceeds thereof to make the Borrower Loan pursuant to the terms and provisions of the Loan Agreement. The Issuer understands that the payments under the Borrower Loan will be assigned to the Lender to satisfy the Issuer’s payments under the Issuer Loan Obligation. The payments to be made by the Issuer to the Lender under the Issuer Loan Obligation will be satisfied solely from payments made by the Borrower to the Lender (as assignee of the Issuer) under the Borrower Loan.

**Section 3.** The proposed form of the Loan Agreement, by and among the Lender, the Issuer and the Borrower, on file with the Secretary of the Issuer, is hereby approved. The Chair or the Vice Chair of the Board of Directors (individually, an “Authorized Signatory” and, collectively, the “Authorized Signatories”), acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver the Loan Agreement in substantially the form filed with the Issuer prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as the Authorized Signatory executing the same, with the advice of counsel to the Issuer, may require or approve, such approval to be

conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of the Loan Agreement.

**Section 4.** The proposed form of the Assignment Agreement, by and between the Issuer and the Lender, on file with the Secretary of the Issuer, is hereby approved. Each Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver the Assignment Agreement in substantially the form filed with the Issuer prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as the Authorized Signatory executing the same, with the advice of counsel to the Issuer, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of the Assignment Agreement.

**Section 5.** The Issuer approves the Issuer Loan Obligation, the interest with respect to which will be excluded from gross income for federal income tax purposes, and the making of the Borrower Loan to the Borrower in an amount not to exceed \$5,000,000 in accordance with the terms of and to be secured by the Loan Agreement. Repayment of the principal of, premium, if any, and the interest on, the Issuer Loan Obligation shall be made solely from the revenues to be received by the Issuer from the Borrower Loan pursuant to the Loan Agreement, and the Issuer Loan Obligation shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Issuer Loan Obligation shall bear interest at the rate or rates set forth in the Loan Agreement.

**Section 6.** All assignments, consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the borrowing of amounts from the Lender and the making of the Borrower Loan to the Borrower, any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Facilities, any assignment by the Lender to an affiliate of the Lender, accredited investor or qualified institutional buyer or any prepayment of the Borrower Loan, may be given or taken by an Authorized Signatory without further authorization by this Board of Directors of the Issuer, and such officers are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this Resolution.

**Section 7.** All actions heretofore taken by the officials and agents of the Issuer with respect to the Issuer Loan Obligation and the Borrower Loan are hereby approved, confirmed and ratified, and the officials of the Issuer and their authorized designees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates, agreements and documents, including, without limitation, a tax certificate and agreement and a regulatory agreement, which they or the Issuer's counsel or the Lender's counsel may deem necessary or advisable in order to consummate the Borrower Loan and the Issuer Loan Obligation and otherwise to effectuate the purposes of this Resolution, and the Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of such certificates, agreements and documents.

**Section 8.** The provisions of this Resolution are hereby declared to be separable, and if any action, phrase or provision is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases and provisions.

**Section 9.** Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the County has held the requisite hearing and the Board of Supervisors of the County have approved the making of the Issuer Loan Obligation pursuant to Section 147(f) of the Code.

**Section 10.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 20<sup>th</sup> day of February 2020.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Gurbax Sahota, Chair

Attest:

By \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Issuer at a duly called meeting of the Board of Directors of said Issuer held in accordance with law on February 20, 2020.

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Michelle Stephens, Assistant Secretary

ATTACHMENT I  
PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Vietnam Veterans of San Diego, a California nonprofit public benefit corporation (the “Corporation”), and its wholly owned affiliate, VVSD Escondido, LLC, a California limited liability company (or a successor or related entity) (the “Borrower”), has provided the following required information to the California Enterprise Development Authority (the “Issuer”), as conduit financing provider, prior to the Issuer’s regular meeting on February 20, 2020 (the “Meeting”) of its Board of Directors (the “Board”) at which Meeting, the Board will consider the authorization of conduit revenue obligations, which obligations are reasonably expected to be in the aggregate principal amount of \$3,886,529 (the “Obligations”).

1. First Republic Bank, as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
  - A. The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Obligations (to the nearest ten-thousandth of one percent): 3.7167%
  - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$169,432.64
  - C. The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$3,866,529
  - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$6,493,945.03
2. The good faith estimates provided above were based on the information which was presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at



the time of the issuance of the Obligations. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Issuer is authorized to make this document available to the public at the Meeting of the Issuer.